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Westerly's Oldest Witness

RHODE ISLAND

How Westerly and The Washington Trust Company Have Progressed Together for 150 Years

by

RALPH BOLTON COONEY

Westerly, Rhode Island

1950

THE WASHINGTON TRUST COMPANY

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GENEALOGICAL DEPARTMENT

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Foreword

THE EXTENT OF WESTERLY

In the preparation of this chronicle, the writer has faced one practical difficulty. This arises from the fact that Westerly as a place name does not accurately designate the community which lies on either side of the Pawcatuck and includes towns in both Rhode Island and Connecticut.

However, since a completely descriptive compound name would make for awkward reading, it was decided that our readers would recognize the problem and accept our solution, fully understanding that, so far as The Washington Trust Company is concerned, it gladly acknowledges its debt to Stonington, both for the distinguished citizens who have served on its Board of Directors and for the depositors whose confidence it has so long enjoyed.

Home of the Washington Bank from 1800 to 1836 — the room at the left. The hotel, operated for many years by Paul Rhodes, occupied a portion of the site of the present Dixon Square Building.

CHAPTER I

The Day the Money Dried Up

SOME PEOPLE heard the news that morning on the radio. Others didn't know about it until they reached work. Some got the word from chance meetings on the street or when they started the day's shopping. But it was only a matter of hours before everybody knew. It was Saturday, March 4th, 1933 — and every bank in the United States had been ordered to close its doors.

No one had expected, even the night before, that such a step was in immediate prospect. There had been hard times ever since those staggering weeks in October, 1929, and banks around the country had been in trouble, but in the thrifty Rhode Island town of Westerly people were feeling no cause for alarm. Here and there, a few individuals had been quietly hoarding cash, but in no instance had withdrawals from the community's financial institutions become disturbing.

Local banking executives were as surprised as anyone else; the word had only come through to them from Providence early that morning. Arthur L. Perry, President of The Washington Trust Company, wanted to keep that bank open. The Federal authorities, however, had already determined that the purpose of closing would be defeated if any exceptions were allowed.

Westerly took the situation calmly. There were no milling

crowds . . . no outward evidences of fear or panic. But it wasn't long before everyone was feeling the effects in one way or another.

There were payrolls to be filled that Saturday morning, but workers had to go home empty handed. There was merchandise waiting to be picked up at the freight depot, but the papers couldn't be cleared. Merchants ran out of change, and as the day went on, trade slowed down to a standstill. Business and professional men, accustomed to handling most transactions by check, were obliged to borrow a bit of cash from their employees or faced the embarrassing necessity of tapping their children's piggy banks. Housewives who had never asked for credit in their lives found it necessary to charge such simple items as a can of coffee or a loaf of bread.

Nor did the hoarders fare too well. Many of them had been tucking away bills in the larger denominations. When they tried to use them, they couldn't get change.

Fortunately, the "Bank Holiday" didn't last very long. By the following Tuesday, limited bank operations were permitted and by Thursday state scrip had been legalized and was available. Meanwhile, the national picture had cleared and the normal flow of money and credit began to move once more. But, for a little while, the people of Westerly were made aware of what it means to be without banking facilities in a modern world.

That same lesson, of course, was being learned all across the land. But people in and around Westerly were perhaps less prepared for a disruption of banking service than most. For Westerly had, since 1800, been the home of a bank which had been an integral part of the town's life through war and peace, through boom and crisis, through fat times and lean. That is the bank, which, as The Washington Trust Company, observes in 1950 a century and a half of growth with Westerly and stands

as the ninth oldest bank in the entire United States.

Organized first as a state bank, later becoming a national bank, augmented at an early date by an associated savings bank, and finally, in 1904, knitting together all its services within the more flexible trust company structure, this is Westerly's own financial institution. Here, through the generations, the manufacturer has received the working credit required to maintain production and employment . . . the merchant has financed the purchases of the goods he in turn sells . . . the home-owner has obtained the funds with which to build . . . the worker has found protection and earning power for his savings . . . the investor has found placement for his capital. No other institution, save the town governments, has played so continuous a role in the functioning of the communities which compose the Westerly area.

It is the purpose of this little book to trace the progress that the bank and the community have made together . . . to show, not merely how the bank has marched steadfastly across the span of years but to demonstrate, as well, how its fortunes have been inter-twined with those of the community. For not only has the bank been a part of all that has made the town . . . the town, in turn, has been a part of all that gives the bank its firm and honorable position.

Let us, then, turn back the pages of time and look at Westerly in the year 1800.

Rules of Washington BANK.

I. THE Bank will be open for business every day in the week, from 10 to 12 o'clock in the forenoon, and from 2 to 4 o'clock in the afternoon;—Saturday afternoon, Sunday, Christmas, 4th of July, Thanksgiving and Fast Days excepted.

II. DISCOUNTS will be made on Thursdays only; and all Notes on which discount is expected, will be left with the Cashier before 12 o'clock at noon, on said days.—Gentlemen living within three miles of the Bank, are requested to leave them the day before.

THE NOTES WILL BE OF THE FOLLOWING PURPORT, viz.

"Sixty days from date, I *A B* of C, promise to pay *D E* of F, or order, at the Washington Bank in Westerly Dollars. Value received.

Dated at W"

which must be witnessed with two witnesses.

III. No business not immediately with the Bank, shall be done therein; and no person will remain therein after his business is done.

IV. No mistakes in telling money will be rectified, unless discovered and actually corrected, before the person receiving the same, shall have left the Bank.

V. THE Bank will discount no Notes for a less sum than 50 DOLLARS.

VI. No person who has become delinquent in the payment of his Note, due and owing the Bank, will have further Credit therein.

STONINGTON: S. TRUMBULL, PRINT.

The first published rules of the Washington Bank, printed on a hand bill approximately 8x14 inches. Rule III discouraged social visits.

CHAPTER II

A Bank Has Lately Been Established Here

WHEN THE LEARNED Timothy Dwight, president of Yale College, came through Westerly in the early eighteen hundreds, he found it worthy of special mention that "a bank has lately been established here." Obviously, the eminent divine was surprised.

Had it been some one from our own times making the observation, considerably greater amazement might well have been expressed. To the modern eye, the Westerly of 1800 would hardly appear to require banking service. As note-taking President Dwight observed, Westerly, though an established town since 1669, was a community of farms; the nearest thing to an organized settlement was the little village of fifteen houses that had grown up around the bridge over the Pawcatuck River. Except for the Post Road, there were no highways worthy of the name; other roads were hardly more than lanes, and even though one gentleman of the town had just acquired a chaise, the only practical way of getting around was on horseback.

One would have looked in vain for anything resembling a modern factory; the home was still the source of most "manufactured" articles. As for stores, they existed, but the modern observer would be pardoned if he failed to recognize them as such. "A quintal of fish, a hogshead of molasses and a barrel of

rum" were sufficient to set up a man as a storekeeper; his stock was merely kept in a room of his house, or perhaps in a small ell built along side. A sign wasn't necessary; his neighbors all knew what he had to sell or barter.

Yet to dismiss the Westerly of 1800 as no more than an obscure farming community would mean overlooking two important factors that were already attracting trade with the neighboring towns. Westerly had the Pawcatuck, flowing along its northern boundary, then turning southward to divide Rhode Island and Connecticut. And Westerly had the sea!

By the end of the eighteenth century, the river had already been put to work at five places. There were dams and mills at Shattuck's Weir (the Bradford of today), at Potter Hill, at Crumb's Neck (later White Rock), at what was to become Stillmanville and at the site of the Stone Mill just below the bridge. These were simple establishments, serving the families who lived in their immediate vicinities. They ground the farmer's grain, sawed local timber and served the home weaver by carding fibres or fulling the finished cloth. They hardly seemed destined to become the industrial establishments of a later day, yet, among their proprietors were men who were already engaged in enterprises extending far beyond the borders of rural Westerly.

It was the proximity of the sea that broadened these men's horizons, and its influence was far-reaching. From the earliest days, the abundant fisheries resources off the Rhode Island coast had been a source of profit to the settlers and an encouragement to the craft of boat building. As time went on, and greater skills were acquired, larger vessels were constructed; at the turn of the century, Westerly-built sloops and schooners were not only carrying Westerly fishermen to the mouth of the St. Lawrence and the Grand Banks of Newfoundland, but were

also engaging in considerable trade with the West Indies.

Thus Westerly, despite the predominately agricultural aspect it presented to the visitor, was becoming a focal point of trade for neighboring towns on either side of the state line. It is perhaps not so surprising, then, that by 1800, men of substance along the Pawcatuck were beginning to feel the need of a local bank. Particularly when we recall that, in those days, banks not only safe-guarded funds and extended credit, but also served as agencies which created a convenient medium of exchange through the issuance of bank notes.

It was the lack of such currency that was proving particularly vexatious to the community. The old paper money of the Revolutionary War period had become so depreciated as to be nearly worthless. The precious metals were not only awkward to handle in any sizable amounts, but were hoarded to the point where only a limited number of gold and silver coins were in circulation. Moreover, despite the fact that the United States had established a currency system and built a mint, the amount of new coinage had been so limited that English shillings and Spanish dollars, as well as miscellaneous French and Dutch pieces, were in general use, creating a confusion that handicapped business transactions.

To the problem, the men of Westerly brought a sober consideration of the functions a bank should discharge. In language which, despite the formal old-fashioned wording, still carries conviction, they set their signatures to these subscription articles:

> "We the subscribers, considering that those banks which at present are established in this State, are too remote or too confined in their operations to diffuse those benefits so generally to the country as could be wished:
>
> "Considering the embarrassments into which the

farmer is frequently drove for the want of the means of stocking his farm at those seasons of the year when money is obtained with the greatest difficulty:

"Considering that in a place peculiarly fitted by nature to encourage the industry and ingenuity of the mechanic, by holding out the sure prospects of a profitable return for his enterprise, nothing is wanting but those little assistances, from time to time, which banks only can give, —

"Now to promote those benefits and prevent those evils, as much as in us lies, we do by these presents covenant and agree, to and with each other, to put into stock the amount of the several shares annexed to our names, for the purpose of establishing a bank in Westerly, in the county of Washington and the state of Rhode Island and Providence Plantations."

It was agreed that the bank was to be organized with a capital of $50,000, payable in gold and silver, and that application for a charter from the state would be made when $30,000 had been subscribed. Typical of the democratic spirit of the undertaking was a provision which prevented any single share-holder from buying an excessive degree of control. Under this arrangement, only the first four shares purchased by any one subscriber carried a full vote each. The next six shares carried half votes; the following fifteen, one-third votes and the next fifteen, one-fifth votes. All shares above forty commanded only one-tenth vote each. Thus a share-holder owning fifty shares possessed only sixteen votes and could exert only a moderate amount of influence on decisions.

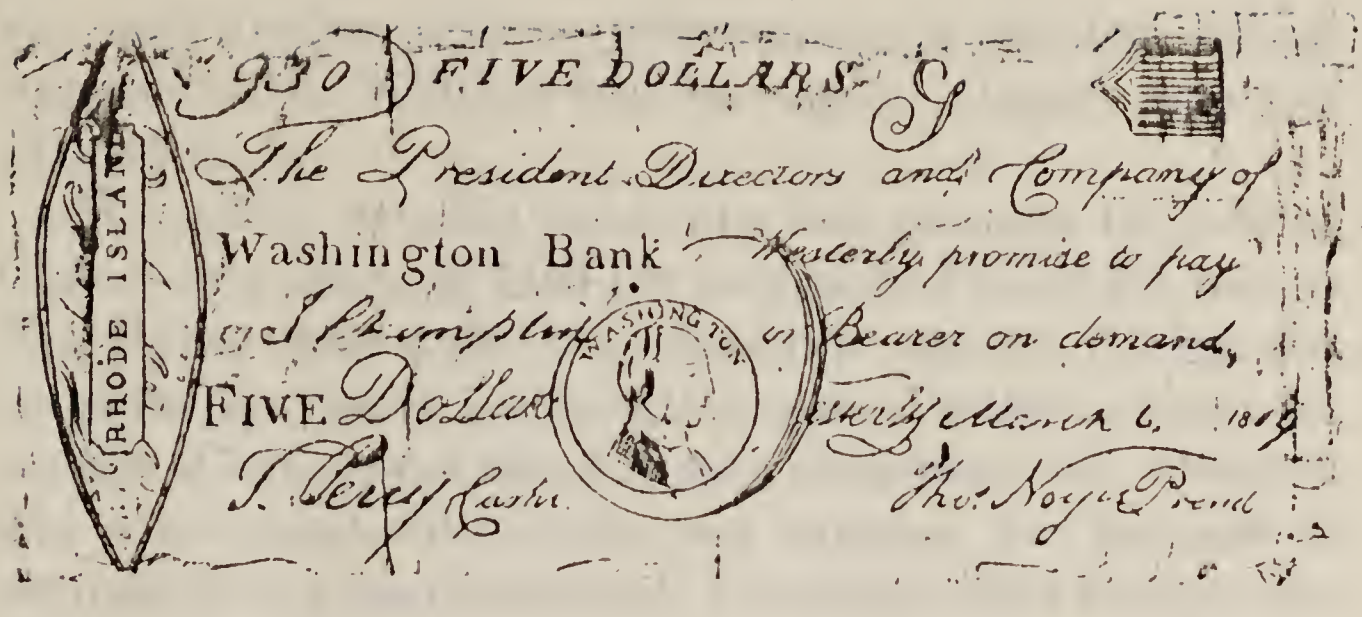
The provisions of the subscription agreement were met early in 1800, and a charter was obtained from the Rhode Island legislature at its spring session. The Washington Bank of

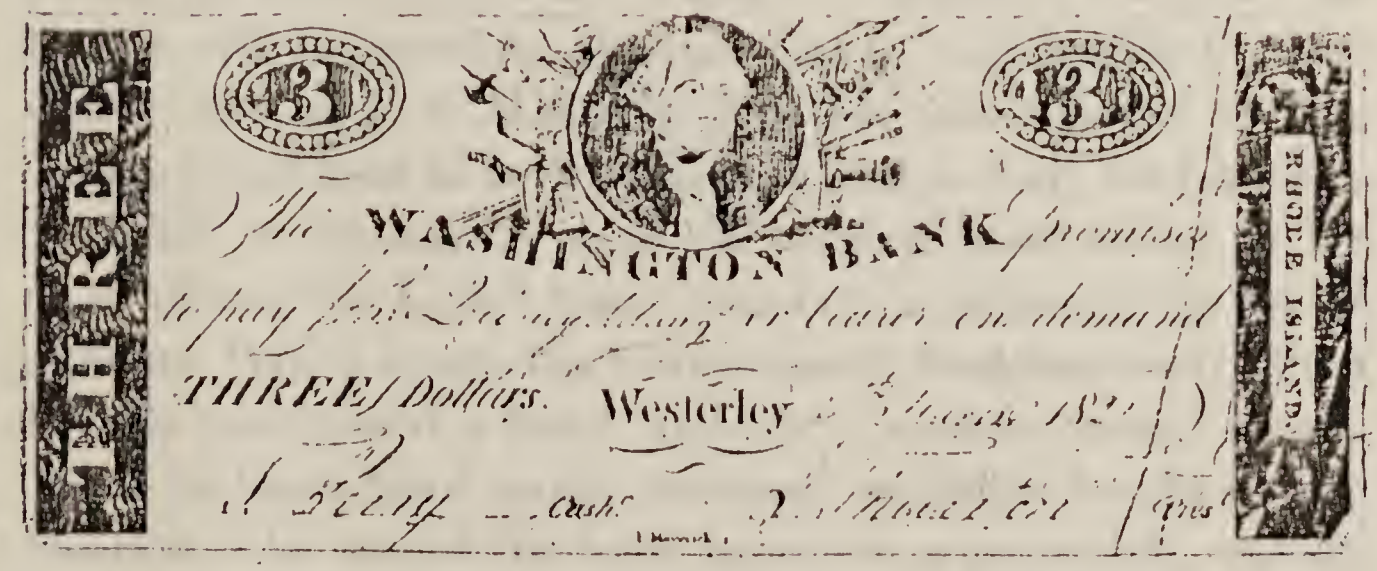
Westerly was in existence; on June 21st, at a meeting of the subscribers held in "the red school house" which stood on what is now Union Street, the first board of fifteen directors was selected.

Men from both sides of the river were on the board; however, according to the charter, a majority had to be citizens of Rhode Island. All had their roots deep in the community; they were the men whose stores and farms and mills and ships gave the valley of the Pawcatuck its trade and wealth. Rowse Babcock, chosen "first director" and thus designated as President, was an early store-keeper of Westerly; so was William Rhodes. Joseph Potter was the vigorous first citizen of Potter Hill, where he ran mills, kept store and fashioned ships' timbers. Elisha Denison was of the family which owned much of the land now occupied by the main business and residential area of Westerly; Dr. Daniel Lee was the neighborhood's best known physician; George Perry and Benjamin Hoxsie were landowners from Charleston; John Cross ran a tannery. Thomas Noyes, from the Stonington side, had been a distinguished officer in the Revolutionary War. And so, down the list, each name stood for an active and honored participation in the life of the community.

The bank existed; now it had to get ready for business. First in importance was the procurement of a supply of bank notes; that meant buying proper paper, getting plates engraved and producing the finished notes.

So it was that, early in July, Isaac Williams of Stonington, one of the new directors, began the horseback ride to New London, en route to Philadelphia, where good bank paper was to be found. Proceeding by boat and stage coach, he made the four day trip without incident and, in the manner of the times, was soon standing treat to the workmen with a gallon of brandy as they began their labors. Staying with the job, smoothing the





Bank notes from the first and second series issued by the Washington Bank; crude though they were, they created a respected currency.

way with further judicious distributions of thirst-quenching stimulants, Mr. Williams had his supply of paper some ten days later.

Meanwhile, Arnold Clarke, who had accepted the post of Cashier at a salary of $400 per annum, had made his way to New Haven where dwelt Amos Doolittle, engraver. To him was entrusted the task of preparing the plates for the four denominations of bank notes that had been authorized. Mr. Doolittle had a fine hand with scrolls and lettering, but his skill at portraiture was less pronounced. The design called for inclusion of a profile of Washington on each of the four denominations; as it turned out, no two looked quite the same and none bore any particular resemblance to our first president. However, his name was carefully inscribed above each semblance and it may be presumed that Mr. Clarke was not too disappointed. In any event, the plates were ready when Mr. Williams reached New Haven with his trunkful of paper and by mid-August Cashier Clarke was back in Westerly with his neat bundles of new currency and a set of banking record books, ready for business.

While its emissaries were discharging these duties in far away places, the bank's board members were preparing things at home. Where stands the Dixon Square Building today, Paul Rhodes maintained a hotel, and, for a modest annual rental, one of its lower front rooms was made available for the bank's business. The rear of the hotel rested on a gravel hill, making it possible to break through the back wall of the banking room and build an underground vault. Constructed of massive stones, it was secured by two iron doors, fashioned by riveting sheet iron on rows of iron bars. The locks were the work of Robert Brown, the village blacksmith; big and cumbersome, they required keys of porportionate size. These the cashier carried with him in a bag.

Just two months after the election of its directors, and less than a year after the death of the man for whom it was named, the Washington Bank was ready for business; it opened its doors on August 22nd, 1800. Unfortunately, no record of the first day's transactions has been preserved, but it may be assumed that its facilities were put to prompt use. By the end of six months a first dividend had been earned and paid, the date of the computation falling, happily enough, on the anniversary of Washington's Birthday and establishing a tradition which has been observed ever since. February 22nd continues to be the date of one of the bank's semi-annual dividend payments.

CHAPTER III

The Front Room in Rhodes Hotel

FOR SLIGHTLY MORE than a third of a century, from the day it opened for business until 1836, the Washington Bank maintained its office in the lower front room in Paul Rhodes' hotel. For the greater part of this same period, life in Westerly proceeded at a pace which, by modern standards, can best be described as leisurely.

Few new people came to the community during these years and a number of families migrated to the new lands opening up beyond the Alleghenies; population figures show little change from decade to decade. Farming and fishing continued to provide the principal sources of living for the townsfolk. From time to time, a new sloop or schooner went down the ways. And, now and again, a trading vessel would sail for the West Indies with produce and barrel staves, horses and mules, to return a few months later bringing molasses and rum and miscellaneous dry goods.

The War of 1812 affected the immediate community to only a limited degree. A couple of sloops of war were constructed in Westerly and excitement swept the town when the British bombarded Stonington in the summer of 1814. Through anxious days a full regiment of Rhode Island militia stood guard in the neighborhood of Watch Hill, but the enemy withdrew without

Westerly's first manufacturing structure, the Stone Mill, erected in 1814; the "Brick Mill," beyond, was built in 1869. Both were razed in 1935.

further molesting the neighborhood and the many Westerly men in the guard unit were soon able to return to their homes.

Unspectacular as progress may have been through the early eighteen hundreds, seeds of future growth were nevertheless to be observed. For one thing, cotton was beginning to come up from the south and Joseph Potter, the Washington Bank director we met a few paragraphs back, began experimenting with the spinning of cotton thread at his Potter Hill mill. In 1810 he produced his first pound of cotton yarn and inaugurated the textile industry in the Westerly area.

Four years later, a business group established the Pawcatuck Manufacturing Company, and acquiring the mill and dam which stood below Pawcatuck Bridge, constructed the Stone Mill, destined to remain a Westerly landmark until 1935. Built and equipped for textile manufacturing, this may well be considered the community's pioneer factory in the modern sense of the word.

Meanwhile, members of the Stillman family had acquired the carding and fulling mill a mile or so upstream from the bridge and the ingenious Deacon William Stillman, whose interests ranged from clock-making to involved theological argument, had turned his inventive attention to textile processing. In 1814 he produced the first practical cloth-shearing machine ever developed; its successful employment at what by now was known as Stillmanville indicated that the march toward industrialization, however slow, was even then proceeding.

Ten years later another straw pointed in the wind. Captain Lester Crandall, one of the town's best known fishermen, quit the sea to make fishing lines on a commercial basis. His superior craftsmanship in this operation had long been the envy of his fellow sea-farers; now it proved worthwhile to let others do the fishing while he made their lines. His simple line-walk along the Ashaway River was to flower into an enterprise which, next

to the bank itself, is the oldest business in the immediate neighborhood of Westerly.

To what extent the Washington Bank furthered these specific undertakings it is now impossible to ascertain. But it is known that from the beginning, the bank exercised a healthy influence on life and commerce in the area. Leading citizens were proud to serve on its board of directors; men like Thomas Noyes and Jeremiah Thurston were among the early presidents. However, the duties of actually running the bank rested upon the shoulders of the Cashier; up until the early years of the twentieth century, the presidency was a purely honorary post. Arnold Clarke, the first cashier, lived only until 1805, and was succeeded by Thomas Perry, a school master in adjoining Charlestown, and a cousin (and for a while a room-mate in Westerly) of the same Oliver Hazard Perry who, as Commodore in our infant navy, was to become one of America's favorite heroes.

First of the family which has been in charge of the bank's operations ever since, he guided its affairs with a firm and conscientious hand. Its notes were in good repute and enjoyed general circulation throughout southern New England; even when a rash of wildcat banks swept the country and all bank paper was suspect, Amos Doolittle's sketchy portraits of the Father of His Country identified honest currency. Workmen and farm hands willingly accepted Washington Bank notes as payment for their labors, merchants took them in exchange for goods and, by broadening the scope of trade beyond the limits of the barter system, they encouraged a more diverse distribution of commodities.

Moreover, the demand for loans early justified the bank's establishment and substantial dividends were the customary reward of the stockholders. Eventually an increase in the capital structure was indicated, and during the eighteen-twenties,

$25,000 additional was authorized, bringing the bank's capital to $75,000. Meanwhile, it may be noted, the success of the institution had invited competition; in 1818, a second bank, the National Phenix, was established.

Set-backs and mistakes in judgment did occur. A major loan, secured by a quarrying enterprise in western Massachusetts, proved particularly unfortunate, and, for a period, fifteen per cent of the bank's entire capital was impaired. But this crisis was met by omitting alternate dividends for two years until earnings had made good the loss and restored the bank's capital to a sound condition. This proved to be the only time that the bank has omitted dividends throughout its century and a half of existence.

Few incidents in the bank's earlier history did more to establish public confidence than the action taken on this occasion. It made clear to the community that the directors and shareholders of the Washington Bank were more concerned with maintaining a sound financial institution than with momentary rewards. It marked the fixing of a policy which has governed the bank's administration throughout its subsequent growth.

It also provided a long-remembered lesson to the sixteen-year-old youth who, in 1826, had just succeeded his father as Cashier of the Washington Bank. For fifty-five years he was to carry on the duties of that office, serving as the executive officer under subsequent generations of directors until 1881; then giving the last nine years of his life to the institution's presidency. No other one individual among the many who have made the bank prosper, worked harder to maintain its integrity than did this man — the Charles Perry whom all Westerly knew and respected for two-thirds of a century.

Up to the time young Charles Perry assumed his new position, and for several years thereafter, the quarters in Rhodes'

Hotel continued to meet the bank's requirements. The regular depositors were a limited group of merchants, mill owners and landholders and the average day's transactions could be recorded on a pair of ledger pages with room left over. The weekly directors' meetings were held at the members' homes, and it was no great chore to carry the necessary records to the meeting place. And the $15.00 a year which Mr. Rhodes charged as rent could hardly be considered exorbitant; all in all, it long continued to be a satisfactory arrangement.

But with the advent of the eighteen thirties, life began moving with a quickened pulse. The transforming age of steam was coming in, and it was not long before its influence was felt along the Pawcatuck.

In 1832, a "great concourse" gathered, meeting first in Stonington and then in Westerly. The Governors of both states were present and there were elaborate ceremonies, marked by the transfer of a portion of Connecticut soil to Rhode Island and a similar bit of "Little Rhody" into Connecticut. Afterwards, there was a "splendid dinner," spread in Doctor Robinson's orchard, followed by an extensive out-pouring of "toasts and sentiments and speeches." Thus, with pomp and circumstance, the task of grading for the new Providence and Stonington Railroad was begun.

Nor was this the only event to stir the town. While the age of steam was revolutionizing transportation on land and river, sail still queened the seas, and American clipper ships and American whalers were carrying the flag to far-off oceans and strange lands. With the rapid destruction of whales in nearby waters, their pursuit entailed ever longer voyages and increasingly handsome rewards for those who made the trips and those who financed them. All this kindled the imagination of more than one man in and around Westerly, with the result that the year 1832 saw the

biggest local ship ever built up to that time take form below the village. Launched the next year as the *Thomas Williams*, she was a 350-ton whaler, backed largely by Westerly capital and destined to make two successful voyages before going up in flames off the Azores.

However, more important than the mere building of the vessel was the fact that her construction brought Silas Greenman to the community. A Mystic, Connecticut shipbuilder of considerable reputation, he was apparently called in to supervise an undertaking somewhat beyond the experience of Westerly's local boat builders. Encouraged, no doubt, by the fact that the new railroad would speed up the delivery of supplies, he decided to establish himself on the banks of the Pawcatuck.

Hitherto, despite the fact that craft of various kinds had been built along the river for generations, shipbuilding had been carried on as an adjunct to other business activities. Even the Sheffield family, who had been and were to continue to be active for many years, did not devote their entire interests to this work. The Greenman yards, laid out on Margin Street along the riverbank, gave shipbuilding the proportions of an industry.

Here, for over forty years, a steady succession of ships and brigs, schooners and sloops were to go down the ways. Here were to be constructed the 500-ton *Wabash*, the *John Mintarn* and the *Elnathan Fellows*. And here, in 1841, was to be built the most famous sailing vessel associated with Westerly, the whaler *Charles Phelps*.

Sailing in 1842, with Captain Palmer Hall of Lotteryville, (now Avondale) as her first master, she returned after a two year voyage around the Cape of Good Hope and Cape Horn with 2,600 barrels of whale oil, 140 barrels of sperm oil and 26,000 pounds of whale bone; the whole cargo having a value of over $44,000. Later renamed the *Progress*, she was to end her

days, after sixty useful years, as an exhibit at the Chicago World's Fair of 1893.

Less colorful but of greater consequence were the developments that the thirties brought to the mills. By now the knowledge of textile machinery which Samuel Slater had carried in his head when he came over from Britain had been applied throughout New England. Equipment, based on the original British inventions but improved in many ways by Yankee ingenuity, was in general use in American mills, including those of the Westerly area. The tentative approaches toward industrialization observed a few years earlier now became more pronounced.

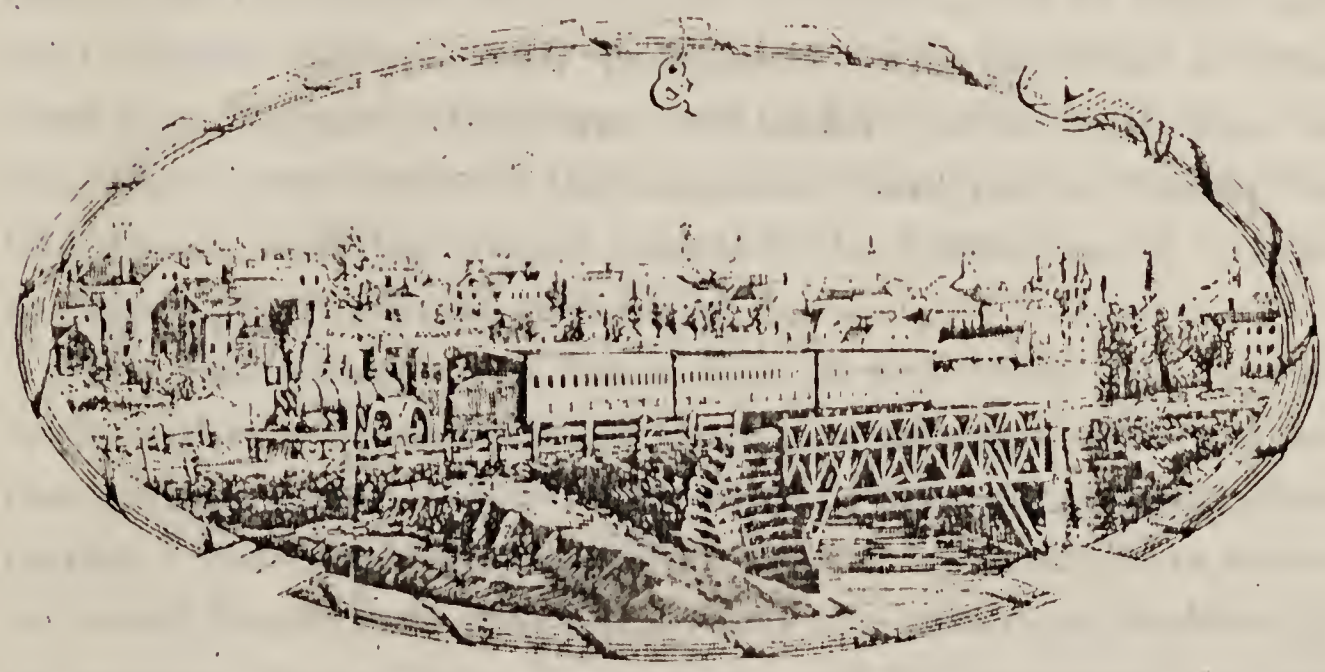
Formation of the White Rock Company by local and Providence interests in 1834 brought a consolidation of several of the textile enterprises that had been established along the river. This organization (named, it is claimed, for a conspicious-white rock in the vicinity) built a new dam at Crumb's Neck and renamed the neighborhood for itself; it also acquired the mill properties on the Rhode Island side of the stream at Stillmanville and took possession of the Pawcatuck Manufacturing Company's Stone Mill in Westerly village. Shortly before, the energetic Orsemus M. Stillman had taken over the family properties on the Connecticut side and was now busy with their enlargement and improvement. Joseph Potter's sons were building new facilities at Potter Hill, and new woolen mills had recently been established at Shattuck's Weir.

It was rapidly becoming evident that the Washington Bank must march forward with the times. The directors had been prompt to encourage the building of the new railroad with a purchase of its bonds, and as the progress of the construction crews promised to transform the plans into a reality within the near future, it seemed clear that the bank should be ready to take care of increased business.

In 1836, while the senior Nathan F. Dixon was president, the stockholders not only approved an expansion in capital to $100,000, but also agreed that the time had come to "remedy many existing inconveniences" in the bank's physical facilities. Accordingly, it was "deemed expedient to build a banking house for the use of the bank" and a committee of seven was designated "to purchase a suitable lot" and "to make arrangements for the building of a neat and commodious house for that purpose."

Before the year was out, the Washington Bank was in a home of its own, ready to welcome the new era of prosperity which the steam cars promised to bring.

The earliest known photograph of the banking house constructed in 1836 and enlarged from time to time; occupied by the Washington Bank and its successor institutions until 1925.



The railroad comes to Westerly; here, an early passenger train of the Providence and Stonington R.R. is shown crossing the Pawcatuck.

CHAPTER IV

Into "A Neat and Commodious House"

WHEN IT CAME TIME to move the effects of the Washington Bank from Rhodes' Hotel, Cashier Perry and his helpers didn't have far to go. The "suitable lot" selected by the committee was only a hundred feet from the bank's original home, and comprised the eastern portion of the plot on which the Washington Trust Company's present building is situated.

The "neat and commodious house" that had been erected was a veritable temple of commerce. For this was the period of the Greek Revival in American architecture, and all across the land classic columns and pediments were adorning homes, churches, business structures and public edifices. It was, in fact, the express desire of the committee that the exterior of the bank's new building should resemble the Parthenon of Athens as closely as conditions permitted.

The institution's new home was 20 feet wide and 44 feet deep; within the limitations of these proportions it achieved the committee's desire. It was constructed of Westerly granite, thus raising a question which has plagued local historians ever since, for, as all the records show, quarrying was not to get under way for another eleven years. If, as might well be the answer, surface out-croppings produced suitable stone for the bank, it seems surprising that no one thought to investigate further.

The interior of the bank was neatly fitted out and a new and more spacious vault constructed. Thanks to the fact that the versatile Deacon Stillman had recently taken to lock-designing, protection was afforded by the new and improved products of his skill. Proudly might the committee survey its handiwork. To some, the cost of the new edifice — $1,250 — might seem a little high, but the directors approved the bill without objection.

Now provided with a physical setting worthy of a community with a future, the bank was ready for the prosperity that was to arrive with the opening of the railroad. The next year, the railroad reached Westerly. But trouble came with it.

The age of steam was having growing pains. The young nation was pressing its resources too hard and a severe financial collapse ensued. It did not leave Westerly untouched, and early in 1837 the directors of the community's two banks in a joint meeting took the serious step of suspending specie payments. But the fundamental health of both the country and the Washington Bank remained good; by the middle of 1838 the hard times were passing and, in August, specie payments were resumed.

Once the difficulties of the business depression had been overcome, the optimism of the bank's stockholders and directors proved well founded. So promising was the outlook in 1839 that the bank's capital was again increased — this time to $150,000.

The economic life of the Westerly area now began to move more rapidly away from the farm and fisheries pattern which had prevailed for so long. For this development, two events — the first occurring in 1838, the second a few years later, were largely responsible.

First was the business alliance that brought together Jesse L. Moss and Rowse Babcock. Mr. Moss had come to Westerly only a few years before; Mr. Babcock was a member of Westerly's oldest family and was the grandson of that same Rowse Babcock

who had been chosen as president of the Washington Bank in 1800. Forming the firm of Babcock and Moss, these pioneer industrialists acquired the White Rock Company and undertook a rapid integration and improvement of the textile mills along the Rhode Island side of the Pawcatuck.

By this action, the new firm brought control of Westerly's major textile mills completely into local hands, an occurrence the importance of which cannot be over-estimated. All through New England were mill towns, the economic life of which was controlled by absentee interests. Such wealth as they produced was funnelled off to enrich men who had little concern for the well being of the producing communities. At a time when Westerly might easily have suffered from a similar blight, the two local men best qualified to do so joined forces. Thanks to this fortunate circumstance, the wealth produced by Westerly's largest manufacturing enterprise continued to flow back into the town at the time it was just beginning to grow.

While not the only textile operators in the neighborhood, Babcock and Moss exercised a leadership which was to dominate the industry in and around Westerly for over a quarter of a century. Of their many achievements, perhaps the most interesting was the completion of the White Rock project suspended by their predecessors. The construction of the mill and twelve double houses called for in the original plan created a mill village which, when it opened in 1849, was hailed as a model of its kind.

Before that happened, however, the second event that was to influence Westerly's immediate, as well as later history took place. That was the discovery by Orlando Smith, a Connecticut stone mason, that the jutting rocks which plagued local farmers were sign-posts pointing to some of the finest granite on the American continent.

Mr. Smith's interest was aroused while visiting the town in

The Literary Echo.

G. H. BABCOCK, PROPRIETOR. · Editorial Room and Ed.—No Party · No Ism. TERMS, $1.00 IN ADVANCE.

VOLUME I. WESTERLY, R. I. APRIL 8, 1851. NUMBER 1.

Poetry.

Double Bed.

The Old Well in Langsuda.

The eighteen fifties brought the town its first newspaper; Volume 1, Number 1 of the LITERARY ECHO *looked like this.*

1835. Rambling over the old farm atop Rhodes Hill, his trained eye was impressed by the texture of the boulders and rubble strewn over the surface. He bought the place and began the exploratory labors which led, in 1847, to the opening of the first of Westerly's soon-to-be famous quarries.

The transition from farm town to mill town was common throughout New England. With the discovery of granite, Westerly was assured a more diversified economy. This was to prove a significant factor in the town's history, for in this formative period it served to prevent that complete absorption in textiles which was to throttle so many communities in later years.

The benefits arising from Orlando Smith's probing and Babcock and Moss's enterprise were immediately appreciated in and around Westerly. But another development which took place about this same time aroused considerably less interest. Captain Jonathan Nash, keeper of the Watch Hill lighthouse, opened a shore-front hotel.

Westerly people had not been unmindful of the recreational attractions of the coast and picnics and outings along the beaches were already an established custom. In consequence, it had become an unofficial part of the lighthouse keeper's duties to dispense hospitality and help with the arrangements. The transition to hotel-keeping was a comparatively simple one. Moreover, with improving steamboat and rail transportation, Captain Nash may well have been hopeful of attracting summer business from a wider area.

There is no record indicating that any great influx of visitors resulted, although the hospitable captain apparently did well enough. But such promise as rested in the modest success of his "Watch Hill House" carried little weight in a town which was beginning to quicken to the stimulus of commerce.

By the time Orlando Smith came to Westerly, the group of

houses around Pawcatuck Bridge had already flowered into a village of some importance and the first semblance of a business district was beginning to center about the "neat and commodious house" of the Washington Bank. Stores were beginning to look like stores. Merchants were offering a much greater variety of goods to their customers. It was becoming worthwhile to specialize, and there was enough trade to support, first, a hardware dealer and, a little later, a drug store.

A civic consciousness had begun to develop. Dixon Square, as the intersection of Broad and High Streets was now called, was graced with a little park center. Two fire companies, one for each side of the river, had been established. Purchase of the engines had been financed by public subscription, and when the funds proved slow in flowing in, the directors of the Washington Bank had come through with a hundred dollar contribution.

At last, Westerly was growing. For forty years its population had remained almost stationary — now, for the decade ending in 1850, the census showed a 11.5 per cent increase. And more people were coming all the time. The enlarged textile industry had brought many, but it was the influence of the quarries which threw open the widest door.

The transformation of the farmer and the farmer's wife and the farmer's children into mill hands was a comparatively simple step. While the mills did bring newcomers to town, many of their employees were local residents who had given up the older ways of life to take factory jobs. The quarries, on the other hand, required the services of a substantial number of skilled craftsmen. These had to be brought in from the outside.

Moreover, whereas the farmer-turned-millhand might give his summers to a certain amount of agricultural production, returning to the factory through the inclement months, the stone worker was at his busiest during the favorable warm

weather. He became a buyer of practically everything he lived by — including food. Since the products of his labor were particularly unsuitable for barter, he was more aware than most workers of the significance of money wages. The stone workers not only proved a factor in Westerly's growth, they also stimulated trade and the use of cash.

With the opening of the quarries, the march toward a more urban type of community life got under way. It was heralded by the appearance of a newspaper, the *Literary Echo*, and by the re-establishment of the library, which, originally founded in 1791, had lapsed into virtual non-existence. It was saluted by the organization of a brass band. It was marked by further civic improvements; the main village streets were graded and curb stones were brought down from the quarries and installed. And it was responsible for an important step taken in 1851 by the men who, as directors of the Washington Bank, were in a particularly favorable position to observe the trend of the times.

As Westerly had progressed through the forties, the bank had been active in all that had occurred. Its distinguished president, Nathan F. Dixon, United States Senator from Rhode Island, had been succeeded, in 1842, by his son, also bearing the same name. A young and vigorous man, already noted as an attorney and destined to serve five terms in Congress, Mr. Dixon was one of the first to recognize what was happening to Westerly and to appreciate the heed for another kind of banking service.

The Washington Bank was doing a good job — for its stockholders and the community. But, in common with other commercial banks of the nineteenth century, it had little direct contact with the general public. Its bank notes were in common use. Many worker's jobs were dependent upon the credit it extended. But its facilities were not employed by people generally. Only merchants, manufacturers and a few wealthy individ-

uals maintained deposits. While checks had long been employed for transferring funds — a supply of checks had been part of the Washington Bank's original "stock in trade" — their use was confined almost solely to payments between business interests. It was a busy day that saw twenty-five to thirty checks and seven or eight deposits clearing through Cashier Perry's books.

With the development of a wage earning group, there was a place for a broader kind of bank. In 1854 that place was filled with the creation of the Westerly Savings Bank!

CHAPTER V

Two Banks . . . Working Together

THE SAVINGS BANK was not a new concept in 1854. Such institutions had been established in the United States as early as 1819. But they had been founded, for the most part, in the larger population centers where masses of wage earners were already employed. With the growth of a wage earning group in Westerly, the formation of a savings bank was to be expected.

The unusual things which distinguished the Westerly Savings Bank were that it was founded by the same men who were active in the affairs of a commercial bank and that, from the day of its establishment to the formal union of the two organizations in 1901, it was operated as a physical part of the Washington Bank. Its long-time treasurer and executive head, Simeon F. Perry, and its second president, Thomas Perry, were brothers of Charles Perry, the Washington Bank's cashier, and the three men worked in close cooperation. Both institutions shared the Bank's quarters on Dixon Square, and the savings bank's depositors passed through the same portals which accommodated the leading business men of the community.

The Westerly Savings Bank proved successful from the start; the integrity of its founders was respected by people from all walks of life and they did not hesitate to put their savings in the

GRAND RALLY

FOR THE

UNION!!

The men of Westerly who are determined to preserve our Glorious Union inviolate, and who are willing to enlist to maintain its integrity by force of arms; in a word, all men who love their Country are requested to meet in

MASS MEETING

On Thursday Evening, July 25, 1861,

A T

ARMORY HALL, WESTERLY,

At 8 O'clock, when

HON. N. F. DIXON

AND OTHERS WILL ADDRESS THEM.

Enlistments will be received for a New Company, to be formed in Westerly.

By order of the Committee of Arrangements

MANY CITIZENS.

Poster announcing mass meeting in early days of the Civil War; the Washington Bank's president was the principal speaker of the occasion.

hands of such men. Westerly was to double its population in the thirty years between 1850 and 1880; this growth, marked by a mounting increase in the ranks of the wage earners, was to be reflected in a steady flow of deposits into the savings institution.

New industrial developments came just about the time the savings bank opened for business. A group of local men built a new mill on the Connecticut side of the river. The first establishment of its kind to be completely dependent on steam power, it was known for many years as the "steam mill"; here, today, is the Bostitch plant. Nearby, two men endowed with unusual mechanical skills, Calvert B. Cottrell and Nathan Babcock, went into the machinery-building business in a foundry that had been established a few years before; they produced equipment for working wood and processing textiles and also made printing presses. Down at Watch Hill, the government built a new lighthouse with a granite tower; that meant a nice contract for the quarries.

The directors of the Washington Bank had sensed the value of a savings bank and had helped bring it into being; at the same time they continued to exercise a strong sense of responsibility for the basic economic soundness of the community. It was inevitable that the extension of credit should sometimes involve a degree of risk and subsequent events did not always turn out favorably. In the case of a textile concern, the Rockville Manufacturing Co., which failed in the late fifties, the bank took a course which it has followed many times since. By diligent application to the management problems involved, its officers kept the mills functioning until the demands engendered by the Civil War made them once more a profitable establishment.

With the advent of that great struggle, normal patterns of life and business in the Westerly area were sharply affected. Hundreds of the community's men went to the battlefields of

the south. Shortages of goods and soaring prices affected every one. Many of the mills were engaged in the production of military supplies; Cottrell and Babcock made parts for the Springfield, Massachusetts arsenal; the woolen mills turned out cloth for uniforms, and other specialized wartime tasks engaged the town's capacities. And the Washington Bank was affected in a rather unusual way.

Lincoln's Secretary of the Treasury, Salmon P. Chase, faced no easy problem in the financing of the great struggle. As one of the steps taken to solve his problems, he secured from Congress an act establishing national banks, the note-issuing power of which would be dependent upon the purchase of United States bonds. Once this legislation was in effect, Secretary Chase obtained the enactment of a second law, placing a prohibitive tax upon bank notes of state chartered institutions. Thus it came about that, after sixty-five years, the Washington Bank surrendered its charter and changed its name; as the Washington National Bank, it became part of the national banking system.

Amos Doolittle's crude creations had long since been replaced by more professional craftsmanship. The Washington Bank's notes of 1847 and 1852 were triumphs of the engraver's skill, surrounding expert likenesses of the First President with carefully detailed symbols of progress and prosperity. But from now on, the bank's notes, while still carrying its name, would be of standard government design.

With the war's end, Westerly enjoyed what may well be described as a boom.

The mills expanded — Babcock and Moss built the "Brick Mill" immediately adjoining the old stone mill and a new mill went up at Dorrville, as the old Shattuck's Weir settlement had been renamed. Cottrell and Babcock turned their exclusive attention to the production of printing presses, and inspired by

the inventive genius of Mr. Cottrell, began producing equipment which brought in orders from all over the country. There was an extensive development of the quarries — George Ledward, followed rapidly by others, acquired properties in the neighborhood of the original Smith operation and began working them. And with all this, the shore section of Westerly began to emerge as an important summer resort.

Expansion of the hotel facilities at Watch Hill had begun in 1860, when Daniel F. Larkin appeared as the first competitor to challenge the hospitality of the Nash family's original Watch Hill House. But the Civil War had prevented further development. Now with the emergence of a new leisure class, the demand for accommodations soared. In rapid succession, new hotels were constructed — the Larkin House going up in 1868, the Plympton House and the Ocean House in the following year. The first bathing beach, with bathhouses, was established in 1870, and in the same year, the first summer cottages were built.

So keen was the interest, that the village of Westerly proper felt rather jealous. It was decided that a hotel sufficiently imposing could capture some of this profitable new business. So it was that on the site of Rhodes' Hotel there presently arose the stately façade of the Dixon House, a full five stories high, adorned with a fashionable mansard roof and offering enterprising merchants handsome new iron front stores. Planned to accommodate 300 guests "as handsomely, as elegantly as any hotel in New York," it cost some $300,000; and in order that guests might not be denied the amenities of the seashore, the facilities of a steamboat, the *Belle*, were provided to take people back and forth to Watch Hill.

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The Dixon House was finished in 1867; it was obviously the most important construction job completed during that busy post-war year. But building was going on all over town; some

The bridge which linked Rhode Island and Connecticut from Revolutionary times up to 1885. At left is lower end of the Stillmanville Canal opened in 1825 and abandoned in 1869.

fifty-five new residences, tenements, business houses and incidental structures went up during the twelve month period. Estimated costs totalled $165,000 and builders and carpenters were busy men. Small wonder is it that Peleg Clark, Jr., Westerly's own architect, found plenty of work to do.

Here the close partnership between the Washington Bank and the Westerly Savings Bank proved particularly advantageous. While the parent institution was assisting in financing the purchase of supplies by lumber yards, building firms and contractors, the savings bank was taking a substantial proportion of the mortgages which enabled the people of the community to build homes for themselves.

More and more, Westerly was beginning to assume urban ways. For one thing, a considerably improved newspaper, the *Narragansett Weekly*, had succeeded the *Literary Echo*. Acquired at an early stage by George B. and J. H. Utter, this publication and its successor daily have served the community under the active management of the Utter family ever since.

Other signs of a changing order were also to be observed. Just before the Civil War, an armory had been built for the town's crack national guard unit — the "Westerly Rifles." The miracle of the telegraph had come to link the community with the rest of the nation. Mounting traffic had made it necessary to remove the little park from the center of Dixon Square. Now, as the final touch of modernity, a gas works was building — and in 1868, Westerly was to be bathed with the splendor of gas lighting.

Of course the march of progress had its less pleasant aspects — like the tax and assessment rates. In 1850, with a property valuation of $1,203,600, a tax rate of 13c per hundred had produced the modest $1,564.68 required to meet town expenses. By 1870, with a property valuation in excess of four million

dollars, a rate of 50c per hundred was necessary to raise the more than twenty thousand dollars the town government required. It affected the Washington Bank and its savings bank tenant. Not only had the bank building's valuation been doubled — from $3,000 to $6,000 — but with the more-than-tripled rate, its taxes rose in twenty years from $3.90 to $30.00!

And that didn't include keeping the fire department up to date. There had been another public subscription for new equipment in 1868, and the bank had voted an appropriate contribution.

However, it cannot be supposed that there was too much grumbling. Business was flourishing.

In 1870, the Washington National Bank's resources were over $100,000. With a capital of $150,000, it had a surplus of $60,000 and over $200,000 out on loan. Deposits, in the manner of the times, continued of secondary importance. Some ninety-five depositors maintained accounts with the bank; balances totalled a little more than $56,000. In contrast, the Westerly Savings Bank was paying interest on approximately $700,000 in savings, representing the deposits in almost 2,000 accounts.

Outwardly, the banking house continued to give little evidence of the increased business that flowed through its doors. Even the five-story Dixon House next door could not overshadow its air of serene dignity. Within, however, it had been necessary to make considerable re-adjustments. An improvement program was carried forward in 1867, but only three years later, the attempted robbery of the National Phenix Bank jolted the directors of the Washington National into a sharp re-appraisal of the protection provided. Accordingly, in 1871 a new vault was provided, completely equipped with the newest and best Yale locks.

However, it was not burglars who were to create the next

Broad Street in the eighteen seventies, with the Washington National Bank at the extreme right and the Dixon House beyond. The five story hotel, built in 1867, was originally planned to attract summer visitors.

Directors of the Washington National Bank: 1868-1879 — Back row, left to right: Charles Maxson, David Smith, Thomas Perry, Joseph Potter, Nelson Brown. Front row, left to right: Charles Perry, Benjamin Thurston, Nathan F. Dixon, Oliver D. Wells.

immediate problem. It was another great swing of the pendulum from good times to bad. With the wide-spread panic of 1873, Westerly's own boom stumbled to a stand-still. Nor were the causes entirely of national origin.

With the death of Rowse Babcock in 1872, the pace-setting activities of Babcock and Moss came to an end. The Dixon House proved a disappointment; summer visitors just didn't find it as appealing as the Watch Hill hotels that overlooked the open sea. The days of sail and wooden ships were rapidly passing, and shipyards of the type operated by the Greenmans were no longer called upon to handle major jobs.

But both the Washington National and the Westerly Savings Bank weathered the rough times, and by their stability softened the economic blows encountered by the community. Gradually things improved. The B. B. & R. Knight organization which had acquired the White Rock village, mill and all, began producing its famous "Fruit of the Loom" cottons there. As the business picture brightened, the well-to-do began flocking back to Watch Hill. The quarries, which had not been as badly hit as other industries, were quickly back in stride. By the early eighties, Westerly was enjoying sound economic health once more.

Throughout the war, the boom and the following panic, the Washington National Bank had benefited by wise and courageous leadership. Charles Perry had managed its affairs with a sure hand, and his directors, under the continuing presidency of Nathan F. Dixon II, had given him full support. With Mr. Dixon's death, in 1881, came the end of an era; Mr. Perry, after fifty-five years of service, decided that the time had come for him to relinquish the arduous duties he had so long discharged. While, in response to the urging of the directors, he consented to assume the president's post, his departure from the familiar Cashier's desk confirmed a break in the flow of time.

Putting the finishing touches on the monument which did much to spread the fame of Westerly granite — the 23-ft. figure of the "Antietam Soldier" completed in 1876.

CHAPTER VI

The Shape of Things To Come

FOR THE LAST twenty-three years of their existence as separate, albeit related, institutions, the Washington National Bank and the Westerly Savings Bank enjoyed a period of steady growth under the direction of men closely identified with their previous progress.

Charles Perry served as president of the Washington National until his death in 1890; he was followed by Nathan F. Dixon, the third of that name and in direct descent to hold the position. Charles Perry, Jr., who after a thirteen-year apprenticeship under his father, had assumed the cashier's duties in 1881, succeeded not only to the cashiership but to his father's place of leadership in community ventures requiring foresight and courage. Charles Perry, Jr.'s brother, Arthur, who was with Charles in the National Bank from 1881 until 1891, likewise played a prominent part in community projects. Particularly active in the water works and in the electric light and gas companies, he showed a keen interest in utility financing and left the bank to pursue a career in this field. But his concern for Westerly and the bank continued and he remained a director as long as he lived. Thomas Perry and Simeon F. Perry guided the operation of the savings bank together until the former's death in 1898; Simeon Perry remained on as treasurer until the turn of

the century and then gave two additional years to the presidency.

All that Westerly was, had been and hoped to be was known by these men; they gave their best energies and wisdom to the community's continuing development.

Westerly again doubled its population during these twenty-three years, while property valuation increased from $1,500,000 to $10,000,000. The quarries entered upon and passed through their greatest days. The shore resorts bloomed with lush Victorian elegance. The mighty force of electricity began revolutionizing transportation, home life, working methods. The pattern of industry broadened and retail trade expanded and grew more diversified. In the wake of these stimulating influences, the shape of today's Westerly began to emerge and factors which were to bring about the merging of the banks into The Washington Trust Company gradually took form.

The quarries held the key to the first wave of growth which now came to the community. By the early eighties, seven different firms and individuals were engaged in the business; while subsequent shifts in ownership brought a variation in the number of operators, quarrying engaged the interests of a substantial group for a quarter of a century.

Conditions were favorable to the industry. The modern skyscraper, with its thin facings of brick and stone, did not come into existence until 1885 and remained in its infancy for some years thereafter. Builders still relied for strength on the solidity of the walls themselves. There was a great demand for statuary; Civil War memorials were going up in towns and villages across the land and commemorative monuments were crowding the battlefields of the epochal struggle. Moreover, one of the manifestations of new wealth was to be observed in the nation's cemeteries where simple tombstones were giving way to elaborate and often highly ornate testimonials to both grief and affluence.

Quarrying was big business in the eighteen eighties: with 6 pair of oxen to pull and 3 pair to act as brake, a completed 38-ton granite shaft starts the trip down Quarry Hill to the railroad station.

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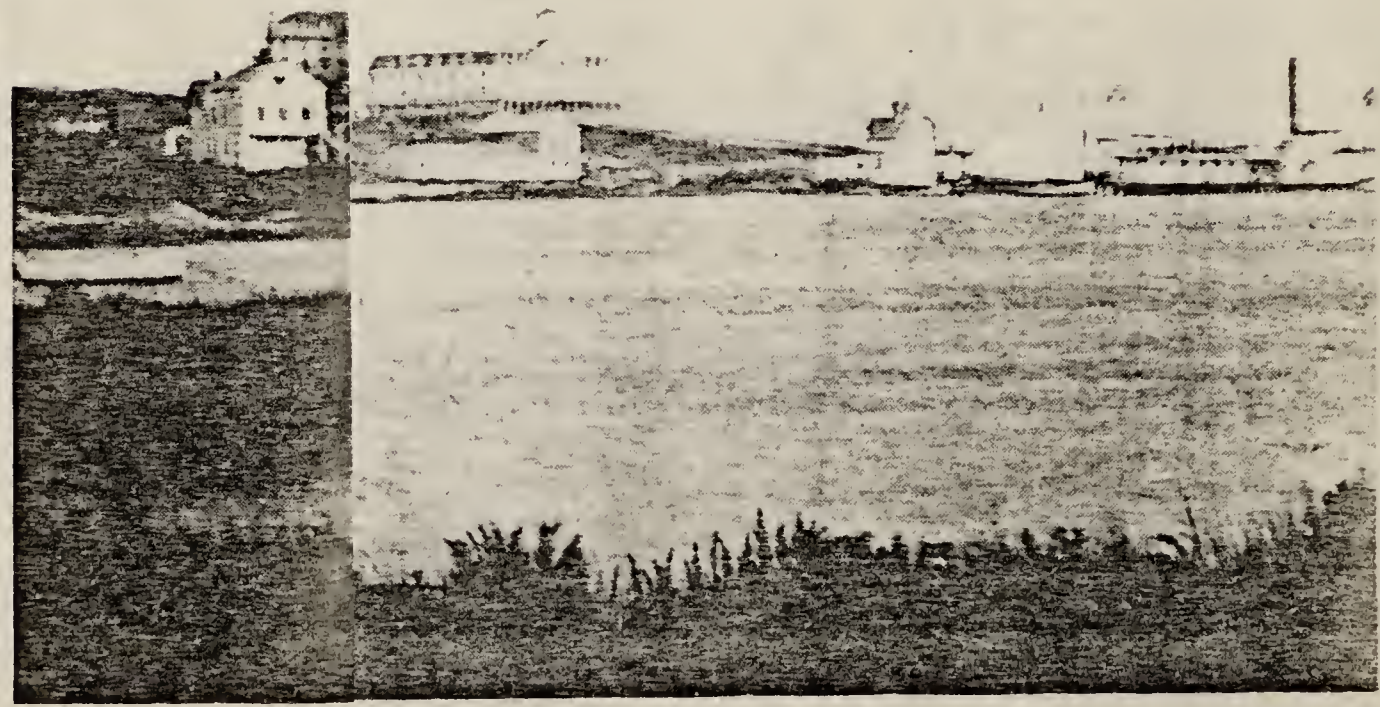

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Trim steamers and freight-carrying schooners were a familiar sight on the Pawcatuck in the nineties. The JULIA *and the* SADIE *were popular with townsfolk and summer visitors alike.*

Before Wilcox Park or the Library came into being: the expanse of yard at the right marks the site of the Library. The field in the background, now a part of the park, was Mrs. Edwin R. Brown's cow pasture. The residence at the left is that of Jesse L. Moss, pioneer Westerly industrialist.

Watch Hill in the eighteen eighties, when the summer hotels were at the height of their popularity. Left to right: Ocean House, Plimpton House, Plimpton Annex, Narragansett House, Atlantic House (in rear), Watch Hill House, Larkin House. The Larkin Shore Dinner House is immediately below the latter hotel. At extreme right: the steamer ELLA *from Norwich.*

Trim steamers and freight-carrying schooners were a familiar sight on the Pawcatuck in the nineties. The JULIA *and the* SADIE *were popular with townsfolk and summer visitors alike.*

The quality of Westerly granite as a medium for the sculptor's art had been brought to the nation's attention back in the seventies by the *Antietem Soldier*. Created as a monument for the Maryland battlefield of the same name, it represented the figure of a Union infantryman over 23 feet high. Cut from a single sixty-ton block of stone, it brought wide-spread publicity and a flow of orders to the local quarries. Of the three hundred major memorials on the battlefield of Gettysburg, over a third were fashioned from Westerly granite.

This surge of activity brought to Westerly not only mounting numbers of quarry workers but also an unusual group of craftsmen skilled in the shaping of the stone to the artist's or designer's specifications. Many, indeed, were sculptors in their own right. Born and trained abroad, coming for the most part from Scotland, Ireland and Italy, they quickly established themselves as highly useful citizens of the community; their descendants constitute an important and active part of the Westerly of today.

For some years, the quarries were big business. At the height of their activity, in the late eighties, they were employing 1,200 men at wages ranging from $1.50 to $2.50 per day. Such wages, in those days, made it possible for more than half the workers to own their own homes!

From this fundamental industry to the leisure-time activities of the well-to-do may seem a far cry, yet the latter no less than the former were now making substantial contributions to the community's prosperity. The mid-eighties found Watch Hill a summer resort of major consequence. Five important hotels and a number of smaller inns catered to the visitor. "In these" a contemporary report observes, "the most fastidious may find clean rooms, the best of beds, well supplied tables and excellent service. There is no lack of fresh food. Excellent beef is brought from the Stonington markets daily. The blue fish are particularly

hard and sweet. Bass, black fish, mackerel, crabs, oysters and hard and soft clams are caught and served daily. Chickens, eggs, turkeys, milk and fresh vegetables are raised in the neighborhood and ice is abundant."

These good things did not appear on "well supplied tables" automatically. The provisioning of the hotels, their care and maintenance meant continuing jobs and revenue to the whole surrounding area. Nor were these the only sources of income produced by the summer trade.

Watch Hill's prominence as a beach resort brought a surge of traffic to the Pawcatuck such as it had never seen before. Because of the inadequacy of highways generally, most people travelled back and forth by steamboat and numerous steamers came and went between the resort and Westerly, Stonington, New London and Norwich; service to Block Island also was included on some routes. At the height of an active summer season in the early nineties, as many as ten different vessels might be seen merrily plying the river, carrying hotel visitors and local excursionists back and forth.

However, shipbuilding as a local industry, was on the wane. Silas Greenman's son, George, built his last sailing vessel in 1889, and after launching a few steamboats for the local trade, went out of business ten years later. But a compensating factor was provided by the great growth in summer cottage construction which got under way in the nineties. Groups of wealthy families from, first, Hartford, Connecticut, and later, Philadelphia, Pittsburgh, Cincinnati and Detroit, began building their own homes, first at Watch Hill, and a little later at Weekapaug. Westerly craftsmen enjoyed plenty of work through these busy years.

Other changes were also taking place. A new enterprise came to town in the form of the S. J. Renter greenhouses. Specializing

in fine cut flowers, this business quickly flourished. When Mr. Reuter first came to Westerly in 1882 he started with two greenhouses; in fifteen years he was operating twenty-eight, covering 60,000 square feet of ground. The plant, operated since 1918 by Munro, Inc., continues to be one of the most interesting business activities of modern Westerly.

Of major importance was the emergence of C. B. Cottrell & Sons as an outstanding influence in the nation's printing industry. Established in 1880 as the successor firm to Cottrell & Babcock and benefiting by the more than seventy patents awarded the brilliant inventive genius of Calvert B. Cottrell, this firm was distinguished for its high-speed rotary presses. By the late nineties, its four-hundred and fifty employees were kept busy, turning out equipment for the production of America's favorite magazines.

Textiles continued significant, but there were frequent changes in ownership of the different mills and corresponding fluctuations in the fortunes of their proprietors. However, the "Fruit of the Loom" operation at White Rock remained a conspicuously steady one, and the advent of a newcomer proved stimulating. This was the William Clark thread mill, built on the Connecticut side of the river, and opened, complete with a ten house mill village, in 1892. It was acquired by the American Thread Co. in 1899.

By now, the whole Westerly community was filling out in all directions. The kind of building activity which, in the late sixties, had been worthy of comment was now common-place. New streets were established and old ones extended. Broad Street and High Street attracted the shopper with a pleasing variety of retail stores. In 1882 a telephone exchange was established; three years later, the water works was organized, and, as the nineties dawned, an electric light company was formed. A new iron bridge

replaced the battered old structure that had linked Connecticut and Rhode Island for so long. Letter carrier service was inaugurated by the postmaster. A new entertainment center was established. Opened first as a skating rink in 1881 and converted the following year, Bliven's Opera House henceforth was to assure Westerly a place on the New England road show circuit until the ubiquitous movies brought the end of trouping.

The last decade of the century brought conversion of the *Narragansett Weekly* into the daily *Westerly Sun*, unique among evening newspapers in that, upholding the Seventh Day Baptist tradition, it appears on Sunday and not on Saturday. Street paving was introduced. Electric trolley tracks linked Westerly with Watch Hill. A new beach community, Pleasant View, began to develop along the shore between Watch Hill and Weekapaug. And, as the new century dawned, one of the world's first automatic telephone systems was put in operation.

Crowning all this came the most distinctive contribution ever made to the civic character of Westerly. This was the series of gifts made by Mr. and Mrs. Stephen Wilcox which gave the town its fine Civil War Memorial Library and the gracious park which today gives pleasure to townsfolk and visitors alike. Mr. Wilcox bought the site of the Memorial in 1891 and was the major contributor to the fund which made it possible to open the building in 1894. Mrs. Wilcox made further gifts which permitted its enlargement, and in 1898 purchased most of the present park tract. Upon her death, in 1901, she left a substantial trust fund to provide for maintenance and growth; this proved sufficiently generous to make it possible, in 1906, for the trustees to buy an additional nine acres, giving the park its present area.

As the new century got under way, the effect of all the changes which had come to the community were being weighed with particular care by the officers, directors and trustees of the

Washington National Bank and the Westerly Savings Bank. Both had steered their course safely through the major financial crisis of 1893 and the tempestuous battles over bimetallism which had shaken the country thereafter. Both profited by the strength contributed by steady growth from their own firmly fixed roots. Now, in 1901, purchase of the town's second oldest financial institution, the National Phenix Bank, gave an extra impetus to the progress of the Washington National and brought an increase in capitalization to $200,000. It also brought Edwin Babcock, president of the National Phenix and a grandson of the Washington Bank's first president, to the board of directors.

However, it also brought an acute "housing shortage."

For years, the increasing business of the savings bank had been crowding the facilities of the parent establishment. In 1900 over 3,000 savers were on the list of accounts, and their deposits totalled more than $1,700,000. Acquisition of the National Phenix and its business literally caused the bank's cherished old building to burst at the seams.

No one wanted to sacrifice the classic portico which had become a Westerly landmark, yet something must be done. A solution was reached with the construction of a rear extension which substantially increased the building's size without affecting its street-front appearance. The interior was completely remodeled, new fire-proof vaults were built and the latest protective equipment provided throughout.

The new addition and the new facilities solved, for a while, the physical problems created by the expansion of the two banks. But another question was left unanswered — one which arose from certain changes which were taking place in the patterns this growth displayed. This was resolved three years later, when the Washington National Bank and the Westerly Savings Bank formally united to create The Washington Trust Company.

As the new century got under way, the horse and buggy continued to dominate Westerly traffic, but here and there a new contender — the automobile, was in evidence.

CHAPTER VII

The Same Firmly-Rooted Institution

THERE WERE AT LEAST three good reasons why it appeared desirable to consolidate the Washington National Bank and the Westerly Savings Bank into a single integrated institution.

First was the simple fact that, for the most part, the same men were serving as board members and officers of both institutions. After Simeon F. Perry's death in 1902 they even had the same president; Albert L. Chester, who had become president of the Washington National Bank in 1898, filled the same position in the savings bank.

Second was the relative strength of the latter establishment. Its more than $1,700,000 reservoir of savings represented the largest single accumulation of working funds in the whole community and its depositors outnumbered the Washington National's ten to one.

Third were the changes that had taken place in the parent bank's position. Forty years of the national banking system's operation had created a generally accepted currency, and the note-issuing power of a local bank was no longer essential to the extension of credit and the conduct of trade. Moreover, deposits had now grown to the point where they, rather than capital, represented the main source of credit.

The trust company operating structure permitted the con-

duct of a commercial banking business and the handling of savings accounts within one organization administered by one executive staff and responsible to a single board of directors. It also provided for the inclusion of a trust department, broadening the scope of the bank's services to the community.

Thus, the two banks united as a single state bank in 1901 and a new "Washington Trust Company" sign went up over the Doric columns of its sixty-eight-year-old home. This, the new trust department and Mr. Perry's new title — that of Vice President, were about the only changes to be observed. Mr. Chester continued as president and the same familiar faces were to be found at the desks and tellers' windows. When, two years later, Mr. Perry succeeded to the presidency, to which he carried the actual executive duties of day-by-day management, an old and confidence-inspiring pattern repeated itself. Regardless of such technical changes as had occurred, this was the same firmly-rooted institution which had been serving Westerly ably and conscientiously for over a hundred years.

Further assurance rested in the calibre of the men who were associated with the bank's board of directors. Of these, none contributed more than Charles P. Cottrell, treasurer of C. B. Cottrell & Sons. For twenty-six years, first as vice president of the bank and later as chairman of the board of directors, he was to give the benefit of his sound financial judgment and keen interest in Westerly's well-being to the decisions of The Washington Trust's directors and officers.

Of the bank's staff, one man, in particular, made a unique place for himself, both in the institution and in the community. This was Everett Barns, who, when he came to the national bank as teller in 1892, had already demonstrated his aptitude for pleasing the public. Throughout his life on the river steamboats, on coasting vessels, in the Westerly Post Office, as

Superintendent of the Westerly Water Works, and through the fifty-five years he served the bank, he made friends by his zest for work and his joy in living. His wide range of interests and exceptionally retentive memory made him a frequently-consulted authority on many subjects. He was elected a vice president of the Trust Company in 1929 and held that position until his death in 1947.

It is difficult to estimate just how greatly the conversion to the trust company form of operation contributed to the rapid growth in business which now ensued. But about the growth itself there can be no doubt. In the decade ending with 1910, savings accounts climbed from 3,319 to 5,155, while deposits almost doubled, increasing from $1,700,000 to $3,100,000. More unusual, however, in view of the past history of checking accounts, was the growth they now displayed.

During the last years of the national bank's operations, deposits increased substantially, but the actual number of depositors had remained comparatively small. At the end of only six years as a trust company, they had increased three-fold.

Business firms, executives and professional men had increased appreciably in number, but not in a proportion which would explain this development. Neither did the activities of the new trust department account for the change. Part of the answer probably rested on the fact that the one bank now served both commercial and savings depositors and more people felt encouraged to use more of its facilities. But the major reason rested in the fact that Westerly had become a considerably more complicated community. The average individual had more financial dealings with more businesses than formerly. He dealt with a number of stores, he had gas, water and electric bills to pay, and he was becoming increasingly aware of the convenience conferred by a check book.

The Hope Valley Branch of The Washington Trust Company, established in 1911 through the acquisition of the First National Bank of Hopkinton.

Perhaps we should also give credit to the electric trolley, for in these days when inter-urban electric lines have almost completely vanished from the scene, it is difficult to recapture the enthusiasm and excitement with which the nation turned to their construction a mere half-century ago. Westerly had possessed one such line since 1891, when a service was provided between the village and Watch Hill, but such success as it enjoyed had not inspired any immediate extension of facilities. Then, beginning in 1905, a new wave of interest swept across southern New England. That year saw the opening of the Groton-Stonington line, followed, in 1906, by the Westerly-Norwich line. Two more lines were completed in 1908, one connecting Westerly with Ashaway, the other providing service to the beach community of Pleasant View.

This new and comparatively effortless transportation service between communities which, for the most part, had been linked only by dusty, mired or rutted roads, depending on the season, proved a stimulating contribution to community life, and may well have brought a share of the new accounts which came to the Washington Trust. Certainly, it made it possible for mills and factories to draw on a wider pool of workers . . . for stores to extend their effective trading areas . . . and for the beaches to attract a much larger group of summer visitors. Pleasant View expanded until houses were extending along the whole length of Misquamicut Beach.

Despite the sharp but brief money panic of 1907, which the Washington Trust took calmly in its stride, meeting every demand for payment without delay, Westerly's economic life was generally healthy through the first decade of the new century, with emphasis shifting to manufacturing as a source of jobs and incomes. The quarries, it became apparent, had passed the zenith of their influence. While they were still doing a sub-

stantial business, technological changes had affected employment, labor difficulties had frequently arisen, and neither the construction industry nor the memorial market provided the opportunities which had formerly existed.

The beach resorts continued busy, with a great deal of building, but the pattern of their development now showed a marked change. As more and more people built their own summer homes, as the automobile began to provide greater flexibility of movement, the resort hotel declined in importance. The Larkin House was demolished as early as 1906 to make room for cottages; ten years later when both the Watch Hill House and the Atlantic House were destroyed by fire no effort was made to rebuild them. Only the Ocean House remains as the community's one large resort hotel.

In the industrial field, events took a progressive step forward in 1911, when the Bradford Dyeing Association of England, seeking an American plant, found a spot within Westerly's town limits which met its exacting water-supply requirements. This was in the neighborhood which by this time had been renamed Niantic, and where, in 1903, the Niantic Dye Works had been established. Acquiring the property, the British firm renamed the community Bradford for its home city, and set about making it the pleasant and prosperous village it has since remained.

In 1912, Westerly accrued another debt to Great Britain when the brilliant English-born George C. Moore moved his elastic-webbing plant, almost over-night, from Worcester, Massachusetts to a recently completed mill on Beach Street. While both these enterprises had to do with textiles, they possessed a specialized character which not only brought a welcome diversification to the industry in the Westerly area, but also was to resist the influences which were to drain New England of so many of its fabric mills in later years.

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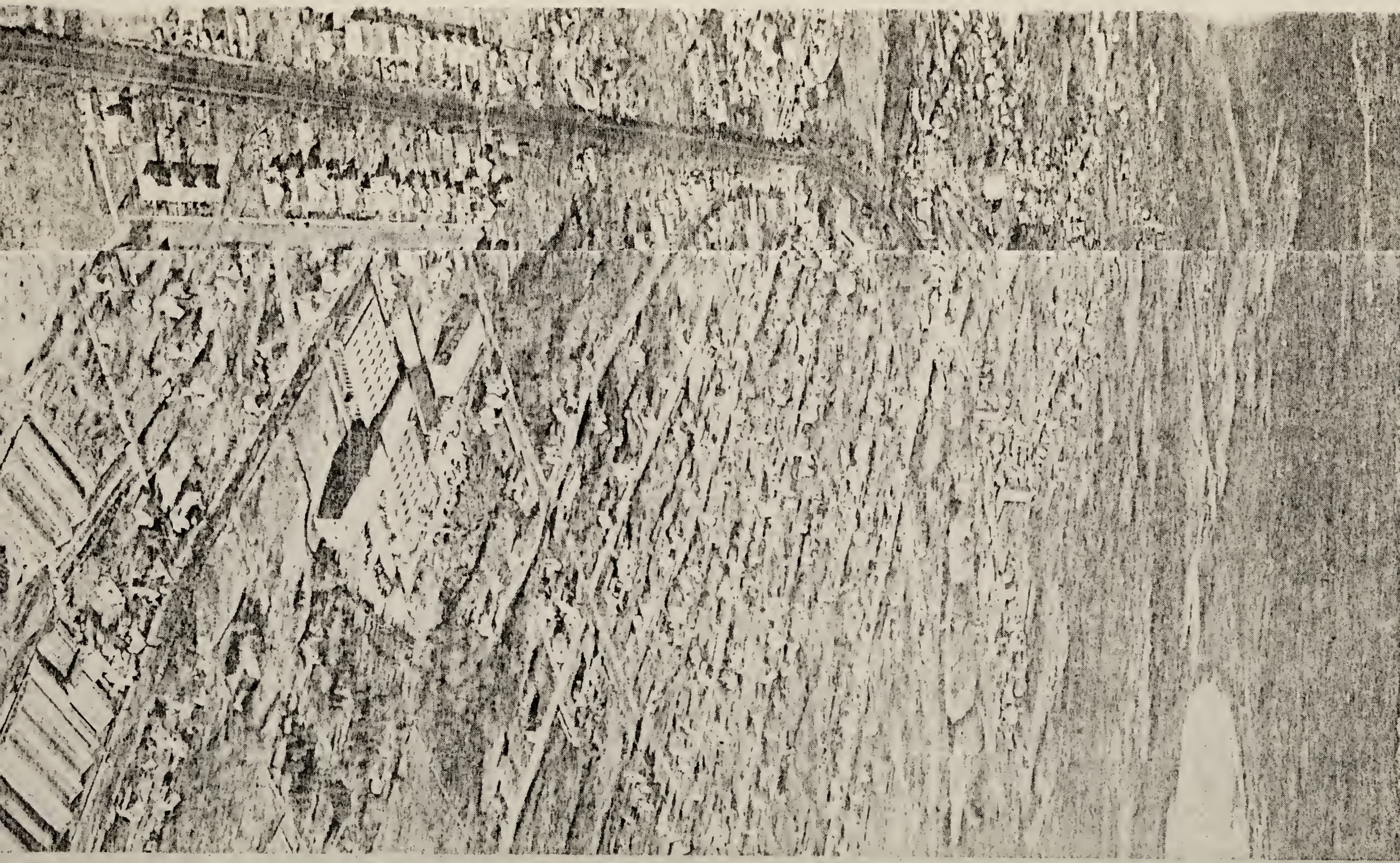
Outstanding among Westerly institutions is the Library, made possible largely through the gifts of Mr. and Mrs. Stephen Wilcox, and subsequently enlarged through the generosity of William D. Hoxie. The main building was opened in 1894, and the children's wing and Museum added thirty years later.



Westerly had a thriving air in these years just before World War I. Streets and highways were being improved, sewers were being extended. A handsome new station was constructed by the New Haven Railroad. A new town building and court house was erected on Broad Street. And the Washington Trust was finding itself cramped again. As early as 1910, another renovation and enlargement program was required; one of its features was the introduction of the bank's first modern safe deposit vault. Four years later a step was taken in a different direction. The First National Bank of Hopkinton in Hope Valley was acquired and converted into the Hope Valley Branch of The Washington Trust Company. While it was to enjoy a vigorous growth, it diverted little of the pressure on the main office at Westerly. For a new and powerful influence entered the picture.

Only a few weeks after the purchase of the Hopkinton Bank, the thunders of World War I echoed across the Atlantic, bringing in their wake a sharp upward surge in industrial activity throughout the United States. With the further entrance of America into the conflict, the whole productive capacity of the nation turned to a dynamic war effort.

Westerly marched to the ever-quickening pace dictated by Mars. While her young men went to training camps and across the sea, the demand for workers brought teen-aged youths, older men, women and girls into the mills and factories. Wages mounted, and, with whole families at work, the people of the community found themselves in possession of greater money incomes than they had ever known.

This accelerated flow of money was reflected in the heightened activity at the tellers' windows of The Washington Trust Company. Despite rising prices, more people had more money than they could immediately use; by 1920, savings deposits had grown to $5,750,000, while the number of depositors had shot

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up to 8,524. Nor was that the whole story. Through the bank's facilities, the people of Westerly had purchased $2,398,150 worth of Liberty Bonds. In 1921, another three hundred safe-deposit boxes had to be installed to meet the crying demand for this type of protection.

However, the greatest increase, percentage-wise, occurred in the growth of checking accounts. As more people became accustomed to handling substantial amounts of money, as their purchasing horizons broadened, and their business dealings grew more numerous and more varied, they turned more and more to the use of checking accounts. Between 1910 and 1920, the number of such accounts more than doubled; by the latter year, this department was serving more than 2,000 customers!

Nor did the post-war period bring any let-up. America now turned to the elevation of its own standards of living with the same enthusiasm that it had brought to the war effort. People wanted automobiles, new homes, some of the wonderful new labor-saving appliances that electric power made possible. Overcoming the slight post-war recession which marked the downward stabilization of prices in 1921, the country set its sights on new goals and business boomed. Westerly's industries and Westerly's resort life reflected the spirit of the times, and The Washington Trust's business reflected Westerly's prosperity.

Now, at last, the inevitable had to be faced. The bank could no longer delay construction of a new building, a building new from the ground up and sufficiently large to accommodate all demands which the foreseeable future might bring.

Thanks to the foresight of Charles Perry, the bank had been gradually acquiring the property between its old building and Main Street; the land was available when came the time for action. In 1925, the present home of The Washington Trust Company was completed and opened.

"Heart of Modern Westerly" — the present home of The Washington Trust Company — completed and opened in 1925.

CHAPTER VIII

The Heart of Modern Westerly

DURING THE LAST quarter century, the people of the Westerly area have lived through as tumultuous a twenty-five years as modern man has experienced. They have seen a boom of feverish proportions rocket upwards to the inevitable explosion. They have worked their way out of a great and grim economic depression. They have overcome the effects of a savage assault by nature's most violent forces. They have stood firm under the tensions and pressures of a titanic war. And they have seen their community emerge from all this in sound and healthy condition, with well established industries, a lively sense of civic responsibility and a progressive outlook.

In all that has made these years memorable, The Washington Trust Company has played a role of critical importance. Its handsome home serves as the "heart of modern Westerly" in more ways than one. Not only does it mark the center of the community's business district; it also functions as a heart for an important proportion of the community's trade and industry. The needs foreseen in the mid-twenties have more than materialized.

In appearance, the new banking house which arose in 1925 contrasted sharply with the venerable landmark which it replaced. Warm and pleasing in appearance, designed in a modified

Italian Renaissance style with a distinctive red tile roof, its height and architecture made it the most distinguished building in Westerly; after the destruction of the Dixon House by fire in 1928, it became the dominating edifice of the neighborhood. Graced by a main banking room of striking proportions and equipped with every modern facility for the conduct of business, it provides a worthy setting for an institution which has progressed without faltering through a century and a half of community service.

But with all the natural pride taken in the beauty and accommodations of the new building, its opening brought no change in the basic philosophy which had guided the destinies of the institution since 1800. The men who sat in the spacious new directors' room and at the officers' desks were the same men who had so long labored in the cramped quarters of the old building. They knew that principles and judgment — rather than architectural distinction — were the vital foundations of a sound bank. They knew that a sincere interest in the community meant more than a handsome façade. They continued to formulate policies and conduct the bank's affairs in accordance with these convictions.

Charles Perry remained as president, "standing at the wheel" until his death in 1929. For sixty-one years he was associated with The Washington National Bank and The Washington Trust Company, setting a record surpassed only by his father's sixty-four years of service. Perhaps no other man witnessed so many changes either in the bank or the community. Certainly few contributed more to the advances that were made. Through all that transpired, he looked courageously forward while holding fast to the sound principles he had been trained to cherish. Upon his death, his son, Arthur L. Perry, treasurer of the Trust Company since the consolidation, was, in turn, ready to carry on

the duties of his office; he continues as president in this anniversary year. Thomas Perry, another son, associated with the bank for almost as long, serves as vice president and trust officer.

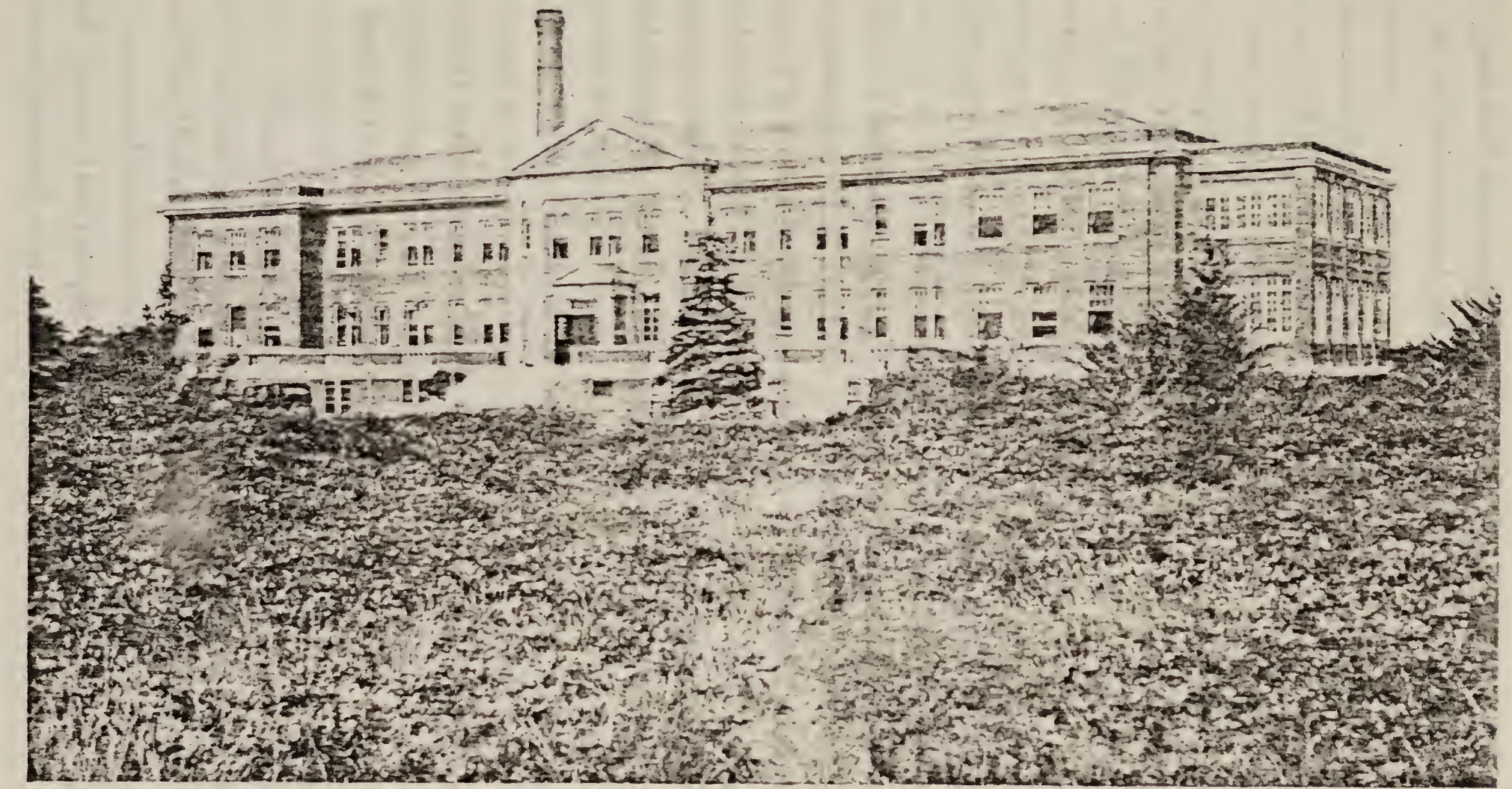
The bank opened its new quarters in the midst of as zooming a period of boom-time optimism as America has ever seen. Never had credit been so over-extended to so large a proportion of the population. On every side, people were spending money with a naively free hand!

And a wonderful new "plaything" had been provided for them to buy. Everybody *had* to have an automobile. Between 1920 and 1929, motor car registrations in the United States increased from approximately eight million to over twenty-three million.

Swiftly the motor age made its impact felt on Westerly. Summer weekends found the beach roads heavy with traffic. Automobile service stations and garages sprang up on every hand. Highway improvement became a matter of urgent concern. And the electric trolleys, greeted with enthusiasm only a few years before, succumbed with scarcely a mourner before the fumes of the gasoline engine.

All business in Westerly responded to the stimulus of the new order but the beach communities were most conspicuously affected. Over $200,000 a week flowed into the area from summer visitors. New cottage construction proceeded on a vigorous scale. It looked for awhile as though everybody might get rich, and a good many people acted as though they already were.

Yet, the frivolous materialism of the twenties did not blind the people of Westerly to more serious things. In 1925 there opened a much needed civic facility which had come into being through the cooperation of the whole community. This was the Westerly Hospital, to the construction of which $789,000 had been contributed through public subscription. The original cam-



The Westerly Hospital, opened in 1925, following one of the most successful drives for funds ever recorded by an American community. Contributions tripled the $250,000 goal originally set.

paign goal had been a quarter of a million dollars; to the amazement of all concerned, actual contributions more than tripled this figure!

The decade also saw the completion of a project dear to the heart of a Westerly citizen who, unfortunately, did not live to see it materialize. Before his sudden death in 1925, William D. Hoxie, a nephew of Mrs. Stephen Wilcox, had been planning a gift to the Memorial Library in the form of a new wing to contain a Children's Library and Art Museum. Carrying his plans to fruition, his widow contributed the new wing as a tribute to his memory.

Most people in Westerly kept their feet on the ground during the "era of wonderful nonsense," as the records of The Washington Trust Company reveal. This is demonstrated, not so much in the pronounced growth in checking accounts which occurred between 1920 and 1930 (approximately a thousand names were added to the books) but in the healthy if less spectacular rise in savings accounts. During the decade, savings depositors increased from 8,524 to 9,588 while deposits grew some two million dollars to $7,878,079.

As the decade neared its end, the cautions were aware that all was not well with the American economy. But, even after the frantic days of October, 1929, when the stock market collapsed with shattering effect, Westerly was not too concerned. There were individuals, of course, who saw dreams of wealth vanish with disconcerting suddenness, but the local prosperity seemed to rest on foundations too stable to be unduly affected by a plunge in securities values. However, as the next summer found some of the Watch Hill homes shuttered and empty, as the flow of orders to mills and factories dwindled, as production schedules bogged down, the people of the community began tightening their belts against leaner days.

From across the nation, the reports grew increasingly disheartening. In two years, national unemployment rose from less than two million to over six million; by 1933, it had mounted to fifteen million. The apple seller became a pathetic symbol of the times and every sizable city had its breadlines. Bankruptcies mounted and bank failures began to increase alarmingly. Thus downward coasted national morale to the valley of the 1933 "bank holiday."

Westerly was spared the worst effects of the depression. Many were pinched, and seriously, but few were pushed to the extremes of despair. The diversity of the community's business interests, the thrift and neighborliness of its people, the public-spirited character of its civic leadership formed a combination of forces which held the line against the waves of financial disaster.

In the forefront of the struggle stood The Washington Trust Company. Its officers and directors had maintained conservative policies through the boom. They now possessed not only the courage, but the resources to meet the crises born of the depression. In 1931, the inauguration of a small loan department enabled hundreds to work their way out of financial difficulties created by the hard times. In 1933, the bank was ready to go on serving the community, even though nation-wide conditions brought on the "Bank Holiday." In the years that followed, every facility of the institution was devoted to the restoration of the normal patterns of commerce.

Gradually, Westerly readjusted itself to new scales of values — to a lower volume of business, lower income from summer visitors, lower wages and lower prices. Slowly but steadily, the community began pulling out of the depths of the depression. Advantage was taken of the federal government's P.W.A. program to construct a fine new modern high school. Recognizing the coming importance of air transportation, arrangements were

made, also through the P.W.A. program, to build an airport, the town donating the land to the state for the operation.

By the end of the summer of 1938, a spirit of optimism was abroad through the community. The beaches had had a comparatively good season. Industrial activity was healthier. Home building had begun again. There was a feeling that the worst was over.

Then capricious nature struck!

On a September afternoon, with hardly a warning, the only hurricane to sweep New England in more than a century roared in from the Atlantic. In the course of a few hours, scores were killed, over four hundred and fifty houses, most of them beach properties, were demolished and the whole area was a shambles of downed trees, tangled wires and stray wreckage.

Despite the stunning impact of the blow, Westerly rallied with amazing spirit. Relief agencies went into immediate action, the task of cleaning up was undertaken with dispatch and once again The Washington Trust Company gave substantial proof of its concern for the well being of the people it served. Hardly had the storm subsided before its officers and directors were setting up a fund and procedure for financing repairs to local property; through the weeks immediately following, rehabilitation programs were worked out for many home owners and business firms.

The storm hit a community which was just beginning to get on its feet after nine years of economic distress, yet the energy with which all joined forces to overcome the ravages of nature's fury revealed a strength and fortitude worthy of those who had cleared the wilderness almost three centuries before. Within only a few years, one had to search diligently for scars of the disaster.

While Westerly labored, the turmoil of war again sounded through the world; three years after the hurricane, America

was once more whirled into the conflict. This time the struggle was of epic proportions, profoundly affecting every family, every industry and every community in the land.

From Westerly and the Stoningtons, from every nearby village, the young men poured into the armed services; as the women's auxiliary services were established, young women also joined the flow. Year after year they went, some never to return, others to come back maimed and broken. Never had so many answered the nation's call, never had they gone to so many and such remote places. Their letters to the *Westerly Sun* reported duty in all parts of the United States, in Africa and Alaska, in Europe and South America, in far Pacific Isles, in India and Japan.

At the same time, Westerly's skies filled with fighting planes. The airport begun several years earlier was completed just as the war struck and was immediately taken over by the U. S. Navy. Operated as one of the training fields attached to the great Quonset base, it was a scene of brisk activity throughout the war period; here were trained the Navy's first night fighters.

Meanwhile, the industrial life of Westerly quickened with dramatic intensity. Every productive capacity of the community was devoted to filling the demands imposed by war. Every individual able to work was on the job — men and women, young and old, even the crippled and infirm were busy supporting the sons and brothers fighting around the world.

The C. B. Cottrell plant produced machine tools for munitions manufacturers as well as gun parts, rocket motors, ships' pumps and a variety of other equipment. The George C. Moore establishment turned out more than 200,000 machine gun belts weekly, along with gas mask webbing, parachute equipment and a wide variety of tapes. The Bradford dye works processed millions of yards of fabrics for military and naval uses. The Ashaway Line & Twine organization fabricated an extensive

assortment of cords, sutures and similar items, but gained widest recognition for its emergency fishing kits, designed to help save the lives of men adrift at sea. The Hamilton Propeller Company took over the empty Lorraine Mills and within five months had 780 employees producing airplane propellers. The hurricane-swept Thread Mill was repaired and put to use. Night and day, Westerly and its neighboring communities labored to help win the war.

Once again The Washington Trust Company was called upon to render extraordinary service to the community. The pulsing activity in the mills and factories was reflected in the multitude of transactions which flooded the bank. Heavy payrolls were handled every week. Thousands of government dependents' allotment checks were cleared through its windows. And, as a war bond sales agency, it sold over seven million dollars worth of government securities during the period of the conflict.

The forties, including the war years and those that followed, brought an ever-mounting demand on every facility of the bank. Checking accounts increased seventy per cent, savings accounts rose thirty per cent; total deposits in both categories mounted from a little over ten million dollars to well over twenty million dollars in less than ten years.

Again and again the bank added services to meet the growing demand. Special fee-basis checking accounts were introduced to meet the needs of those who could not maintain regular balances. Three times during the decade additional safe deposit boxes were installed, bringing the present total to over 1,200. Because of the record-keeping involved in the payment of withholding taxes and social security installments, certain companies began handling their entire pay rolls through checks, and in one case, at least, a thousand pay roll checks were issued every payday.

The activities of the war years set a pace which might well

have left both the bank and the community completely let down after V-J Day. But the end of hostilities brought no collapse. The normal needs of the country had been unfulfilled for five years, and as rapidly as they could, Westerly's industries converted back to peacetime production. Only one major industry came on the scene and vanished as a direct result of war conditions and the taking over of the vacated property by the Bostitch Company filled the single gap that might otherwise have existed.

Out of a depression, a disaster and a war, Westerly emerged sound and confident. The last five years have brought brisk business, an expanding resumption of resort activities, extensive building operations. While looking to the past with fond regard, Westerly looks to the future with enthusiastic faith.

In this same spirit, The Washington Trust Company pauses to observe its one hundred and fiftieth anniversary. It looks backward with pride over a record of community service which few banks can equal — only eight others in the whole nation have a longer history. It looks forward with faith in the continuing vitality of its heritage.

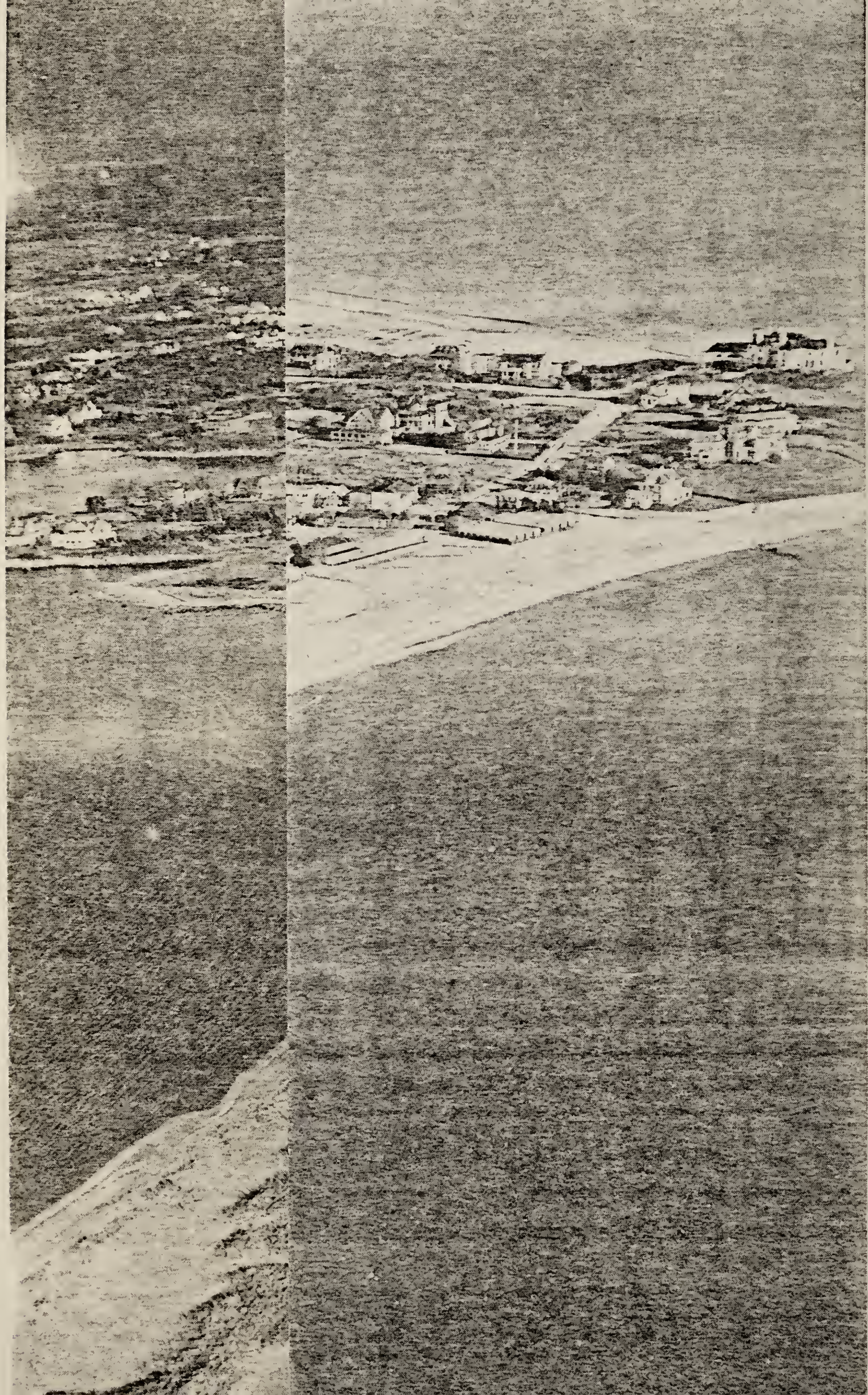
For all but six years of its existence, that heritage has been in the cherished keeping of one family, handed down directly from father to son through four generations — a record probably unparalleled in American banking history. Beginning in 1806, when Thomas Perry assumed the administrative duties of Cashier, management has passed on to his son Charles Perry, to his grandson, Charles Perry, Jr., and to his great grandsons, Arthur L. Perry and Thomas Perry, the present president and vice president respectively. A fifth generation is represented by Robert B. Perry, who is one of the present junior officers of the bank.

To the contributions of this unique banking family there has been added, from the beginning, the loyal cooperation of succeed-

ing generations of directors sincerely concerned with Westerly's progress and prosperity. The present board, like those which have gone before, is composed of men vitally interested in the community and associated, for the most part, with local enterprises. To them, the time and thought they contribute to the bank's business represents a larger contribution — a contribution to the well-being of the whole Westerly area.

Throughout its history, the bank has been guided by two principles. It has placed a sound financial position ahead of earnings at all times and under all circumstances. It has been intent, in matters large and small, on furnishing "those little assistances, from time to time, which banks only can give."

Today, The Washington Trust Company continues, as through the past, to seek more and better ways of serving the community. Today, as in the past, it is maintaining a financial position, which in terms of the ratio between capital funds and deposits, is one of the strongest to be found in the United States.



Active Officers

THE WASHINGTON BANK
THE WASHINGTON NATIONAL BANK
THE WASHINGTON TRUST COMPANY
1800-1950

Arnold Clark	Cashier, 1800-1805.
*Thomas Perry	Cashier, 1805-1826.
*Charles Perry	Cashier, 1826-1881.
*Charles Perry, Jr.	Cashier, 1881-1901. Vice President, 1901-1906. President, 1906-1929.
Arthur Perry	Assistant Cashier, 1881-1891.
*Arthur L. Perry	Treasurer and Secretary 1901-1921. Treasurer, 1922. Vice President and Treasurer, 1923-1929. President, 1929 to date.
Thomas Perry	Assistant Treasurer, 1906-1918. Assistant Treasurer and Trust Officer, 1918-1923. Vice President and Trust Officer 1923 to date.
*Robert B. Perry	Assistant Treasurer, 1916 to date.
Everett Barns	Secretary, 1922-1929. Treasurer, 1929-1936. Vice President, 1936-1947.
Harold D. Livingstone	Assistant Treasurer 1929. Secretary 1930-1939.
James W. Shaw	Assistant Treasurer 1930-1935. Auditor 1936-1939. Secretary 1940 to date.
Alfred C. Baker	Treasurer 1936 to date.
Silas R. Richmond	Manager Hope Valley Branch, 1914-1922.
Robert P. Mitchell	Manager Hope Valley Branch, 1922 to date.

Active Officers

THE WESTERLY SAVINGS BANK
1854-1904

Simeon F. Perry	Treasurer 1854-1900. President 1900-1902.
Arthur L. Perry	Treasurer 1900-1904.

* The starred names represent five successive generations in direct line.

OK

Active Officers

THE WASHINGTON BANK
THE WASHINGTON NATIONAL BANK
THE WASHINGTON TRUST COMPANY
1800-1950

Arnold Clark	Cashier, 1800-1805.
*Thomas Perry	Cashier, 1805-1826.
*Charles Perry	Cashier, 1826-1881.
*Charles Perry, Jr.	Cashier, 1881-1904. Vice President, 1904-1906. President, 1906-1929.
Arthur Perry	Assistant Cashier, 1881-1891.
*Arthur L. Perry	Treasurer and Secretary 1904-1921. Treasurer, 1922. Vice President and Treasurer, 1923-1929. President, 1929 to date.
Thomas Perry	Assistant Treasurer, 1906-1918. Assistant Treasurer and Trust Officer, 1918-1923. Vice President and Trust Officer 1923 to date.
*Robert B. Perry	Assistant Treasurer, 1946 to date.
Everett Barns	Secretary, 1922-1929. Treasurer, 1929-1936. Vice President, 1936-1947.
Harold D. Livingstone	Assistant Treasurer 1929. Secretary 1930-1939.
James W. Shaw	Assistant Treasurer 1930-1935. Auditor 1936-1939. Secretary 1940 to date.
Alfred C. Baker	Treasurer 1936 to date.
Silas R. Richmond	Manager Hope Valley Branch, 1914-1922.
Robert P. Mitchell	Manager Hope Valley Branch, 1922 to date.

Active Officers

THE WESTERLY SAVINGS BANK
1854-1904

Simeon F. Perry	Treasurer 1854-1900. President 1900-1902.
Arthur L. Perry	Treasurer 1900-1904.

* The starred names represent five successive generations in direct line.

OK

Honorary Officers

THE WASHINGTON BANK
THE WASHINGTON NATIONAL BANK
THE WASHINGTON TRUST COMPANY
1800-1950

Rowse Babcock	President	1800
Thomas Noyes	President	1801-1819
Jeremiah Thurston	President	1819-1830
Nathan F. Dixon	President	1830-1842
Nathan F. Dixon, Jr.	President	1842-1881
Charles Perry, Senior	President	1881-1890
Nathan F. Dixon, 3rd	President	1890-1898
Albert L. Chester	President	1898-1906
Charles P. Cottrell	Vice President	1906-1929
	Chairman Board	1929-1932

Honorary Officers

THE WESTERLY SAVINGS BANK
1854-1904

Jesse L. Moss	President	1854-1857
Thomas Perry	President	1857-1898
B. Court Bentley	President	1898-1899
Albert L. Chester	President	1903-1904

Present Directors

THE WASHINGTON TRUST COMPANY

Charles E. Sherman
Arthur L. Perry
Thomas Perry
Harvey C. Perry
Thomas F. Moore
F. Samuel Nardone
Daniel F. Larkin
Arthur E. Trotman
Arthur Perry
Charles P. Cottrell, Jr.
Frederick C. Buffum
Julian T. Crandall
Nelson W. Pickering
Cyril V. Moore
Arthur M. Cottrell, Jr.
Alfred C. Baker
Fred W. Smith
John B. Findlay
Wells R. Fowler
James W. McCormick
*Hendricks H. Whitman
Joseph D. A. Whalen
J. Albert Pawson
Donald C. Cottrell

*Deceased 3-18-1950

The Washington Trust Company

CONDENSED STATEMENT OF CONDITION

December 30, 1949

RESOURCES

Cash and Due from Banks	$2,168,713.57
U. S. Government Securities	6,025,600.00
Bonds	9,770,997.93
Stocks	1,603,247.67
Loans and Discounts	1,351,353.85
Mortgage Loans	2,045,932.94
Banking House, Hope Valley	8,500.00
Other Real Estate	8,500.00
Prepaid Insurance	1,880.46
	$22,984,726.42

LIABILITIES

Capital Stock	$500,000.00
Surplus	1,500,000.00
Guaranty Fund	410,000.00
Undivided Profits	792,183.09
Pension Fund	100,000.00
Reserve for Taxes	32,675.29
Reserve for Dividend	40,000.00
Deposits	19,609,868.01
	$22,984,726.42

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